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CYPRUS

Left Viewed as Becoming Dominant in Internal Situation

35210146a Nicosia O AGON in Greek 31 Jul 88 p 3

[Commentary by The Observer: "Seductive Attraction ...The Left Dominates Domestic Politics"]

[Text] We are in favor of political calm and cooperation among all political forces, but "calm" and artificial cooperation can never be based on expediency and party interests, because it is certain a priori that they must come to an end.

As we wrote in a report on page 1, DIKO and AKEL have reached an agreement to put an end to the recriminations and wrangling between the two parties.

If this agreement is due to the parties drawing closer in their ideas and to the elimination of their differences (although the positions of the two parties indicate nothing of the sort), we welcome it.

If, however, it is the result of petty party expediency, this agreement cannot succeed.

What is disturbing at this moment is that, despite its well-known positions on the national issue and despite its well-known goals in the domestic arena and even despite the fact that it is being abandoned by its own masses, nonetheless, the left appears to be exerting a "seductive" attraction on the right and on the center-right!

At this moment:

1. There is a President supported by and depending on the left.
2. The Democratic Rally, which in the past was the terror of AKEL, now expresses little or no criticism of the left.
3. DIKO is making a truce with Mr Khristofias.
4. Although in the past it criticized the AKEL leadership for its policy on the national issue, EDEK is carefully avoiding doing so today, even though AKEL's policy is still the same.

Suddenly, in other words, the left has become not just the arbiter but the master of the domestic political arena. No bourgeois party wants a confrontation with it, or even dares to express criticism of its positions, on any issue.

We would welcome this new development in the domestic arena if it were the result of some positive shift on the part of the AKEL leadership, as regards either its handling of the national issue or its broader goals in the domestic arena.

However, no such shift has been observed. Consequently the sole explanation for this new situation is:

Each party's interests and broader goals, present and future, are tied to its "good behavior" toward AKEL and

to the attitude of that party toward the leaders of the other parties. This perhaps is the reasoning that has led all the political leaders outside the left to determine not to irritate the AKEL leadership any longer.

12593

AKEL-DIKO 'Gentlemen's Agreement' Seen Achieved

35210146a Nicosia O AGON in Greek 31 Jul 88 p 1

[Excerpt] A "gentlemen's agreement" has been achieved between the leaderships of DIKO and AKEL to end the attacks, criticisms, and recriminations between the two parties.

The agreement was worked out at the highest leadership level and constitutes the first step toward a normalization of relations between the two parties, which had been seriously disturbed after then-President Sp. Kyprianou dropped the Minimum Program.

The disturbances peaked during the election campaign and became an open break as a result of AKEL's support for the candidacy of G. Vasileiou.

After the presidential election, however, and the change in the AKEL leadership, the two parties restored contacts and showed a willingness to rebuild the bridges between them.

As part of these efforts, the two parties have just decided to observe a "cease-fire" and put an end to the mutual accusations and attacks, both at the leadership level and at other levels.

In addition to this, however:

There seems to be general desire on both sides for a complete normalization of relations.

In fact, it is not denied that the goal is to lay strong foundations for renewed political cooperation between the two parties if circumstances and political developments in the domestic arena require it.

12593

FEDERAL REPUBLIC OF GERMANY

Emnid Poll on Political Situation in August

[Editorial Report] Hamburg DER SPIEGEL in German on 29 August 1988 published on pages 24 through 31 a 1600-word article entitled "An Election Would Result in Changes; SPIEGEL-Survey of the Political Situation in

the Month of August." The article summarizes results of a poll taken from 4 to 21 August by the Emnid Institute, in which 2,000 men and women were interviewed. According to Emnid's calculations, "if Bundestag elections were held next Sunday," the CDU/CSU, with only 40 percent of votes, could not win a majority with the FDP, which received only 9 percent. The SPD, however, with 43 percent of votes, could win a majority with either the Greens (currently with 7 percent) or the FDP. With the Greens Party the SPD would win a 50-percent majority, with the FDP, 52 percent.

According to this report, a determining factor in this trend has been the severe decline in support for the governing coalition. Previously the FDP has absorbed many of those voters lost by the CDU/CSU. Now, however, the CDU/CSU is losing supporters to parties outside the coalition, and this is "leading to friction between the coalition partners." According to this report, Kohl has for years been content with what he referred to as a "strategic majority," that is, a majority held by CDU/CSU and FDP, but not allowing the SPD and FDP enough votes for a majority. As long as this situation could be maintained, the FDP could make no serious threats of a change in coalition partners, and the coalition remained stable. But, in November 1987 this "strategic majority" was lost, and it became possible for either the SPD or the CDU/CSU to gain a majority by aligning itself with the FDP. Results of this survey now indicate that in July and August the CDU/CSU could no longer win a majority with the FDP, while the considerably strengthened SPD could. In fact, this survey shows the union sinking more than 4 percent below its worst Bundestag election results ever (44.5 percent in 1980 with Strauss as candidate, and 44.3 percent in 1987 with Kohl as chancellor).

In the opinion of Klaus-Peter Schoeppner, head of SPIEGEL polls at Emnid, the SPD will most likely be able to retain its advantageous position, largely due to the average age of CDU/CSU supporters: "Currently the CDU/CSU is strongest among pensioners and 45- to 60-year-olds. The younger the voter, the less he or she can relate to the FDP or to the CDU/CSU. If it were up to voters between the ages of 18 and 30, the majority in Bonn would go to the SPD and Greens (46 and 21 percent), while the CDU/CSU would win only 27 percent, and the FDP only 4 percent, of votes from that age group." This survey also shows CDU/CSU supporters as being considerably more "pessimistic" than supporters of other parties. When asked whether they believed their party would lose votes "if a new Bundestag were elected next Sunday," six of 100 FDP supporters, two of 100 Greens supporters, and only one of 100 SPD supporters said 'yes,' while 30 of 100 CDU/CSU supporters answered in the affirmative. Similarly, only 26 percent of CDU/CSU voters expected gains for their party, but 53 percent of Greens, 56 percent of FDP, and 86 percent of SPD supporters expected their parties to gain votes. "If all of the parties were to retain roughly the same percentages of votes that they currently have (by Emnid calculations), there would be only one sure election victory for the CDU/CSU in 1990: the election in Bavaria."

Overall, the results of this survey are bleak for the future of the governing coalition. Public opinion "has not changed in August from previous months—following a rapid decline in popularity for the CDU/CSU, numbers have stabilized at a 'perilous level.'" Only one-fifth of those interviewed assess conditions for the CDU/CSU as "particularly favorable," while two-thirds predicted favorable results for the SPD. The report further notes that no one has appeared on the scene in Bonn who would be able to "lead the coalition out of this slump."

The article concludes on a slightly more optimistic note, as it mentions two bright spots in the future of the coalition: CDU/CSU voters seem to be rallying more tightly around their party and its leaders, and FDP voters are again beginning to feel closely bound to the existing coalition. The alienation that appeared in the FDP after the last Bundestag elections has passed, and support of a coalition with the CDU/CSU seems to be as strong as ever. "Two-thirds [of FDP supporters] were for the current union in Bonn; only every fifth [voter] supported a change over to SPD."

FINLAND

Former, Current Communist Party General Secretaries Comment on Party's Problems, Future

Vainionpaa Victim of Scandal

36170096 Helsinki HELSINGIN SANOMAT in Finnish
17 Jul 88 Sec 2 p 35

[Article by Anneli Sundberg]

[Text] Esko Vainionpaa, former general secretary of the SKP [Finnish Communist Party], became involved in a financial scandal. Now he is ready to evaluate his brief career as a "bread priest" [one who preaches just to make money] of communism: it was worthwhile to sacrifice for the party!

Sociologist Esko Vainionpaa, 42, gets up at 10 am in his half of a duplex in Tikkurila, reads the morning papers, bicycles for an hour, showers, and heads for the capital city. After a late lunch, "Baron" Vainionpaa plans to wander about the harbor admiring the sailboats. The most important item on next week's agenda is gathering cloud berries in a swamp. Then it is time to fly to Rhodes and sail the Greek archipelago with friends.

You might think this peaceful, smiling man was a well-to-do stock broker, if you didn't know that the truth is just the opposite. Along with bricklayer Arvo Aalto, Vainionpaa is at this moment one of the best known unsuccessful businessmen in Finland.

The careers of both men came to an embarrassing, and for Finland unusual, end a couple of months ago. Their morals, and especially those of others, forced them to resign their positions of political leadership when the finances of the Finnish Communist Party became chaotic and brought ridicule to the whole party.

Vainionpaa's political career, which had started promisingly, ended dramatically at the May meeting of the Central Committee of the Communist Party. General Secretary Vainionpaa and Chairman Aalto stepped aside voluntarily after considering the situation.

After recovering from his initial depression, Vainionpaa gave an accounting of his term as general secretary in and concluded that in spite of everything he would not have traded away a single day of it.

The four weeks prior to the meeting of the Central Committee were the worst that Vainionpaa had experienced in his life. The [surrounding] publicity tore the party and its leaders to shreds. The inexperienced financial manager, protected by Aalto's and Vainionpaa's wing of the party, had invested party funds in a manner reminiscent of sowing seeds into the wind.

Aalto and Vainionpaa thought that if a man is a gifted mathematician, he should also succeed as a businessman. This idea was wrong. The Communist Party lost millions of markkas instead of getting richer, as the party leadership, lulled by wishful thinking, was expecting.

Unemployed, but Hopeful

When Vainionpaa became general secretary of the Communist Party three years ago, he gave up a good job with a pension fund. Now Vainionpaa is unemployed. He isn't exactly in the worst situation possible, however. His salary from the party office will be paid through the end of September, and the party's new chairman, Jarmo Wahlstrom, is actively seeking new employment for the former general secretary.

Vainionpaa seems to be quite optimistic about his future.

"Of course I know the pension business best, but at my age one should be ready to learn something new."

There is no going back to the pension fund; they have a new man in his place. Since the party is not in the government, and its support is also shrinking, good offices and jobs are hard to find. The Communists have a few "bridgeheads" such as the Finnish-Soviet Society, where politicians down on their luck can still hope to land [a job]. The present communist general secretary of the society will retire in the fall, and organization-man Vainionpaa would fit in nicely as his successor. Vainionpaa himself just smiles. He is not in the habit of counting his chickens before they hatch.

Vainionpaa only became general secretary by a few votes. He knew what he wanted to do, but he didn't make a lot of noise about it beforehand.

The Work Got Done

Vainionpaa undertook to cleanse the party of [Stalinist] factionalists, and in this he succeeded 100 percent. The Stalinists broke away to form their own party. Moscow frowned a little, but perestroika was already making its influence felt. There was not as much pressure to keep a small fraternal party in line as there had been in Brezhnev's times.

"We wanted to continue bilateral agreements. Contacts were reduced to a minimum when I became general secretary. Attempts to influence our affairs were no longer as clear as before, however, and gradually we achieved normal relationships with the Soviet Communist Party."

In spite of "Black May," Vainionpaa still believed that he was the man for the job that needed to be done, and he did it.

"Of course the ending could have been a lot more stylish, but I knew already when I started that I wouldn't be getting any political credit or public glory. I began to normalize a party after twenty years of an abnormal situation, and I got that job done. Someone had to do it, or else the deterioration would have continued. In that case the party would have had no hopes for the future."

Vainionpaa counts among his achievements the reform of the party's agenda. He is said to have reformed practical work as well as principles.

"The party's 70th anniversary celebration in Tampere was the best demonstration that practical work was being redirected into new channels. It showed that we communists are not just old, wrinkled attenders of meetings."

Vainionpaa says he was able to be happy in Tampere once he got the opportunity. There was no pressure of responsibility. There Vainionpaa found out that there is life, even cheerful life, outside of politics.

Both Ends of the Sausage

Leisure life has started to feel good.

"I have noticed that there are two ends to a sausage."

By sausage Vainionpaa means in this case the kicks he received from the party. The comparison is just as strong as the man himself.

"I have had a good vacation and recharged my batteries. For the first time in years I have been able to feel quite carefree. Now I read the newspapers for pleasure and not for work"

Vainionpaa does not admit to being bitter about the three years the party took from him.

"I gained good experience. It wasn't peaceful or easy, but there are more important things in life. Altogether it was an interesting phase in my life. I probably would do it over again in the same situation."

Vainionpaa no longer dreams of a new political career, so his successors can rest assured. "I have no spirit of revenge," Vainionpaa chuckles.

"My feelings were really horrible, especially when it became clear that the financial manager had given us false information."

Vainionpaa did not announce his resignation until the meeting of the Central Committee. Aalto had announced his decision earlier. Today Vainionpaa thinks they were right to leave without a divisive struggle. According to Vainionpaa, they could possibly have kept their positions if they had put up a strong fight, but the victory would have been questionable.

"To continue after a dispute and a vote would only have hurt the party. An internal power struggle would have created permanent tension in the party. It would hardly have been possible to conduct a satisfactory municipal election [campaign], for example."

In Vainionpaa's opinion, the sacrifice was not in vain.

"Just as I once saw that for the sake of the party it was worthwhile to become general secretary, so now I see that for the sake of the party it was also worthwhile to leave at the right time."

Sucking Power From the Carcass of the SDP [Social Democratic Party]

Perhaps the financial losses of Vainionpaa and Aalto were not the only reasons for the change in party leadership. There were also those in the party in whose opinion the party leaders did not understand the new winds of politics. The new leader of the SKDL [Finnish People's Democratic League], Reijo Kakela, has shown himself to be a greedy man, who wants a large organization and apparently also the honors that the leaders of the Communist Party now enjoy. The financial mess offered a delicious opportunity to topple Aalto and Vainionpaa faster than their opponents could have even dreamed of.

Vainionpaa is quiet for a long moment. He doesn't quite know how to put his words together.

"It's really difficult to respond to that. It is clear that some of the differences of opinion concerned the role and the independence of the SKP in today's society. That discussion is continuing."

Vainionpaa is still a member of the Central Committee of the Communist Party, and he believes the party will rise again.

"I think it is possible that the SKDL and the SKP can get about 15 percent of the vote. The Social Democrats will lose some of their wavering votes to us because of their internal ferment. The problems of the SDP seem to be much greater than we thought. Government participation has not been as painless as the party leadership had believed and hoped it would be. I don't believe that tax reform will go over politically. SDP members, regardless of their views, are going to be disappointed."

Vainionpaa would have nothing against the government collapsing because of tax reform or municipal elections. But he thinks it is more probable that the government will stay in place, albeit shakily.

"If the SDP were to suffer a big defeat in the municipal elections, then it would perhaps change some of its ministers. The conservatives would do the same, and then things would continue."

The Communists have no keys to the doors of government, even if the present basis were to crumble.

"Our political power is not strong enough to wield a significant voice in a government. It is hardly worthwhile for the SKP to become a silent partner."

The Communists would join only a national front government. Their future is not very promising. Vainionpaa blames the whirlwind of fire and brimstone on the former Center Party, now the Finnish Center.

"A national front would depend a great deal on the attitude of the Center Party. The party's policies are so blatantly populist, and its bowing in the direction of the business world is so deep, that the threshold of cooperation rises very high."

Maybe a burst of blatant left-wing populism wouldn't be bad for Communist Party support, either, or what does the former general secretary think?

"To me that is such a distant idea, that I couldn't recommend it. At least I wouldn't know how to do it."

Helja Tammissola Admits Problems

36170096 Helsinki HELSINGIN SANOMAT in Finnish
17 Jul 88 Sec 2 p 36

[Article by Anneli Sundberg]

[Text] Helja Tammissola, new general secretary of the humbled Communists, intends to give the party a good shaking-up, even if it costs her the position of general secretary.

Helja Tammissola, the brand-new general secretary of the Communist Party of Finland, sits like a visitor to her own office, a little nervous, on the edge of her seat. Earrings dangle merrily, and a full skirt falls in waves around her. Its light red color is far from the somber blood color of the party's old battle flags.

Tammissola became general secretary last May so rapidly that she is still a little bewildered. She had been thinking of getting into politics, to be sure, but she didn't have time for the idea to ripen before events were already overwhelming her. In agreeing to become general secretary, Tammissola did not know how long the job would last or how she would manage in it. The previous general secretary was ruined in three years.

Tammissola is still on the payroll of the Social Security Administration for now; she is an expert in data processing, and she was formerly shop steward of the local union for many years. The fate of Esko Vainionpaa has made Tammissola consider whether she dares to give up her profession.

"I would like to see how I get along in the job for a while."

The Social Security Administration has turned down Tammissola's request for a leave of absence of a couple of years.

Tammissola doesn't quite know what she will do if the decision is upheld.

"I'll probably just be amazed."

An Educated Communist Brat

Fortyish Tammissola is just the kind of leader that the Communists could imagine grabbing hold of in an emergency. She is educated, strong willed, and experienced, but she has not been too badly involved in the Communists' internal disputes.

Tammissola became an active communist in Turku when she was still a student. She is a product of student radicalism of the 1960's, although a little bit of red color has stuck to her from her childhood home in Pori.

"My grandparents raised me, and they were communists. My grandfather's father starved to death in the Lappeenranta prison camps. During my childhood I was quite fond of being a 'communist brat,' so that choosing a party was not quite an obvious thing for me."

Before she became general secretary, Tammissola was deputy chairman of the Communist Party, so she was partly responsible for the financial collapse, even though money matters were a tightly-guarded secret in the party. These routinely did not come to the attention of the

deputy chairman. However, Tammissola still thinks that the punishment that General Secretary Vainionpaa and Chairman Aalto received was excessive.

"It was unjust because we are all in the same boat. Each of us can look in the mirror and ask why I didn't do anything. I myself am quite good at nagging, but obviously I was not persistent enough. I stopped nagging when I received fairly reasonable explanations."

Tammissola estimates that between 30 and 40 million markkas of the party's funds have disappeared into the wind. Her first task as general secretary has been to terminate some of the employees. About 15-20 jobs were lost because of the mess, but Tammissola assures us that they were able to find something else for most of them to do.

The tone in which Tammissola talks about the financial scandal is bitter.

"The extent to which the affair was dragged through the mud was unreasonable in relation to its size. I can't say how much it affected the party's credibility and support, but for the membership itself it was a real mess. The members pay heavy dues and do a lot of volunteer work. But the Finnish people probably accepted the situation more calmly than the Communists themselves."

Tammissola rejects, however, the thought of borrowing rubles to finance the municipal election [campaign].

"No. We have not resorted to ruble loans at all while I have been in the party leadership."

'Marx and Lenin Are Still Weapons'

The municipal elections are so near that there is no time to put together multidirectional strategies. Tammissola seems to intend to win the elections mainly through wishful thinking.

"I am seriously of the opinion that a new tide has already begun for the Left. My opinion is based on a slight shift in public opinion polls. I believe that the Social Democrats will also rise, if they can just get their act together in the government mess."

Tammissola's attitude toward the present government is rather nonchalant.

"It will fall apart because of its own improbability no later than after the parliamentary elections. To me it has proved itself quite incapable of acting. What else has it done besides play around with little matters. Who knows what will become of tax reform?"

There is no use in trying to get Tammisola into the government at this stage, at least. Perhaps after the parliamentary elections, and then only if the Social Democrats join as well. Tammisola would not dare to get on the same sled with the Centrists or Conservatives.

"If even the Social Democrats can't get along with them, I don't understand what chances we would have."

Tammisola goes into the fight for voters' souls with Marx and Lenin as her weapons. A little shyly she proclaims that the old work horses still have enough marrow in their bones for one Communist Party.

"Capital accumulation and casino economics are not unknown to these great theoreticians; we just have to start explaining capitalism's true colors."

Tammisola wants to shake up the balance of power in society, preferably in cooperation with the Social Democrats. But first she intends to shake the Communist Party by its ears, even if she were to lose her brand-new job. Listening to Tammisola, one starts to suspect that her Marx wears pin-striped trousers and has a gold Rolex on his wrist.

Tammisola wants the Communists to point the way, to be at the leading edge of progress. The Center and probably also the Conservatives and the Social Democrats have the same dream, even though they haven't had time to prepare public statements about the matter because of the rush of government business.

Tammisola knows well that society will not progress on the Communists' old slogans.

"For that reason as well I would prefer that my term of office be only a limited one. I would like to see whether I can carry forward the things I want. The Communists are accused of opposing all changes. Now we are in a situation where even obvious things must be doubted. We must rethink our attitude on the competitiveness of Finnish industry. We have to start demanding better machinery, better procedures, and better quality in the workplace. This will mean that some jobs will be lost."

The Communist Party has up to now fought tooth-and-nail to preserve every industrial job. Tammisola's words sound a revolution, and she is not at all sure that they will receive a positive response.

"Jobs lost in industry will eventually be replaced elsewhere in time, but the same people are not necessarily suited for the new jobs. You can't just shift a textile worker to work in a Helsinki hospital. There will be some who will fall between the cracks until training is modernized."

Is the Leadership or the Membership Changing?

Tammisola knows she is getting into conflict with the trade-union movement. The trade-union movement has been accustomed to sitting on its big behind and criticizing the parties' blustering about jobs.

"When there is discussion about a new line of action, we are continually on the edge of a knife. The question is, shall the leadership or the membership of the party change?"

There is not much to be changed in the membership, if the Left's decline continues. New strength is being sought feverishly. The new leadership of the SKDL is trying without hope to attract disillusioned Social Democrats, Greens, former Liberals, and Communists into a new cover organization. The Communist Party has a negative attitude toward this.

"It has not been made quite clear to us what Reijo Kakela's new, bold SKDL would be. We are ready to talk about a broad coalition of the Left, but that is still very much at the idea level. Perhaps some ideas can be brought to the organization level, however, by the time of the next parliamentary elections."

Tammisola is not one bit kinder to the Stalinists that have gone their own way than the previous leaders were. It was thought that the numbers returning to the party would increase with Taisto Sinisalo resigning the position of party chairman. He is known, however, to have kept control of the money, so he will be able to name his successor. It will probably be Jouko Kajanoja. The Communists at the Helsinki House of Culture believe strongly that Kajanoja will be a strong nail in the Stalinists' coffin.

Tammisola shrugs her shoulders. The Stalinists can come if they want—one at a time or as a group, but there will be no agreements.

"In our opinion there isn't even anyone left to negotiate with."

9611

GREECE

Ship Attack Seen Not Sole Reason for Bad Relations With France

35210140b Athens I KATHIMERINI in Greek
31 Jul 88 p 3

[Article by Rikhardos Someritis: "Greece-France: Doubt"]

[Text] At this moment, relations with France are the worst and most negative that one could have with a friendly country. The immediate cause is the tragedy of the "City of Poros" and the politically criminal lightness

with which the Greek officials ridiculed it with photographs, but with no more facts than simple indications of dead young French people made out to be bloodthirsty terrorists reaching the point of mutual extermination.

The official Greek sources, and also the fictional descriptions on the part of the press, offended French public opinion despite the initial French effort to calm things down. This resulted in reactions of rage in the French press, especially negative for our country's police, politicians, and its policies on terrorist matters and the Middle East. However, compared to what some of our newspapers wrote (that led readers to the conclusion that there is the possibility of guilt or complicity by the French secret services in the tragedy), French reactions could be considered even as being moderate.

It is clear chronologically, however, that only after the official French harsh and politely cold denunciation of the Greek frivolities, government sources in Athens progressively started to retract accusations and "revelations," reaching even the point of "understanding" the French reactions by the prime minister himself, despite the "complaints" he expressed for these reactions.

I am afraid that this turn, that perhaps may help official relations, cannot change what had deeply impressed the French public opinion and its political and journalist voices any longer. Mainly, because whatever happened was frequently confirmed by older grapevines, less frequently stated officially, as it concerned accusations or even observations on PASOK policy.

The truth is that there is a problem in Greek/French relations. The last time there was an expression of Greek/French friendship was the impressive participation of President Francois Mitterrand, despite Elunda, in the celebration of the proclamation of Athens as the civilizing capital of Europe. From then on, everything went "wrong." And there are no French bases in Greece, nor any significant antagonism, political, commercial or financial.

For years, almost, the substantial Greek/French political dialogue has stopped. President Mitterrand systematically meets all the European leaders and especially the Spaniards (France will succeed Spain in the presidency of the EEC), the Germans, the Italians and the British. He progresses in all sectors, including the defensive sector, with a special "relation" to the Mediterranean, only up to the Adriatic Sea. With Greece, relations seem to be flabby, if not "frozen." Whatever there is, it is the least that one could imagine for countries such as Greece and France, many times allies and friends.

Could there be other antagonisms? How curious is the surprising ease (socially it is called "rudeness") with which the official Greek ministerial visit to Paris on Greek initiative was cancelled at the last moment for no reason, the surprising frivolity of the public ridicule of

the victims as murderers on the basis of simple indications and without, from the beginning, any cooperation with the authorities of their country. Why weren't there any initiatives in areas such as economic ones? The other more important reasons are explained or corresponded only superficially.

The question was asked well before the tragedy of the "City of Poros," and, however, now assumes another dimension for other reasons: Beyond the subject of relations with France, how certain is it that PASOK Greece indeed has definitely selected Europe?

9346/9604

Progovernment Paper Warns Papandreou on Entourage

35210144a Athens AVRIANI in Greek 28 Jul 88 pp 1, 8

[Article: "Andreas, Be a Little Careful About Your Friends... And, Listen, Above All Don't Forget Your Old Friends..."]

[Excerpts] Because we, like all Greeks, wouldn't want to have people checking on our personal lives, we've never gotten involved with the personal life of the Prime Minister, or of any other politician—nor will we.

Today, though, we want to ask the Prime Minister to be a little more careful in the future about his friends and above all not to forget his old and devoted friends, because we believe—though we hope we're wrong!—that the newcomers surrounding Andreas are attracted to him in the hopes of feeding at the trough, or at least of getting a piece of the action, whereas his old friends, who so often suffered for his sake and supported him in his times of difficulty, did so because they believed in him and loved him. (Of course, in the long run, none of those close to the Prime Minister has suffered from it...)

You know, Andreas, we here at AVRIANI are unhappy at the fact, for instance, that this year the president of Parliament is spending his summer vacation alone on Kerkyra, whereas for years now, every summer, we'd gotten used to seeing you vacationing together. And certainly we don't believe you ever came out the worse for wise old Uncle Giannis' views and "advice."

We know, Andreas, that what we're saying today may make you unhappy. We're telling you, though, so you'll watch out, because we believe that right now Greece doesn't have any other politician capable of dealing with the country's problems, not to mention that without you the democratic bloc would fall to pieces and the right would return to power...

So pay a bit of attention to your friends, Prime Minister... That's not asking too much.

12593

**Papandreou's Discourse Seen Meaningless,
Unconvincing**

35210140a Athens KYRIAKATIKI
ELEVETHEROTYPIA in Greek 31 Jul 88 p 48

[Article by Pano Loukakos: "And They Dissolved Quietly"]

[Text] Why did this meeting of the Central Committee of PASOK take place? Why did Mr Papandreou tire himself in the summer to give two speeches since no one had anything to say, neither the prime minister, nor the members of the Central Committee? If this meeting of the Central Committee could be characterized it would be that it is that it was routine, a processing of formal obligations, apparently boring everyone. The best of the two-day meeting, both for Mr Papandreou and his audience, was perhaps yesterday noon, when they "dissolved quietly."

Of course, all these things mean something. The fact that even the professional objectors of the Central Committee were not interested in talking means something. Perhaps they are tired by now. The fact that Mr Papandreou talked without having anything of substance to say, beyond the known and trite, means something.

They undermine us, they plot against us, they weave scenarios of destabilization, the traditional left allies itself with the right, they smear, we will win the elections, etc.

By now all these things have been overcome by circumstances. All these things have been said so many times that they have lost their meaning. All these things mean nothing and do not constitute a political speech.

Of course, these are not the real problems of this country. The problems are other things. Much greater also. And very different.

It is the total political unreliability. It is the total degradation of public life. It is the total decomposition of our social fiber. It is the autocratic nature of the government and the disdain for the citizen. It is the dances of the billions that confound the average Greek who counts his few thousand drachmae notes each month. It is the cloud (pollution). It is the absence of the government where it should be present. It is the lie, the twisting of daily reality and the deception of the citizen. And it is many other things, that if they were to be listed as headlines, would fill this page. But all of us know them, because we live them every day. In this way, Mr Papandreou cannot be credible any longer, when he blames all that is bad to provocations, smears, the traditional left and right. Finally, for 7 continuous years, PASOK is the one that is in power. The left and the right are to blame for today's misery? And PASOK is simply and only its innocent victim?

If all of these attacks prove something, all this talk about plots, all these transfers of blames, it is that today PASOK is not in a position to verbalize a credible political speech. It is not in a position to state a convincing political phrase. It is not in a position to convince. Just a week ago, the text of the

present and future of Greece was given for publication. It was an unfortunate report of ideas, comprised of a compilation of triteness. And everyone sped to accuse the unfortunate, credited as the author of the text, Mr Skandalidis. However, the two-day meeting of the Central Committee of PASOK proved that the problem is not a student paper of ideas by Mr Skandalidis, but the substantial lack of arguments and political rhetoric of the entire political area to which he belongs.

Yesterday in his second speech, Mr Papandreou wondered:

"And we see today the right, with its present leadership. What political reason does it have? What does it offer as an alternative solution? In which sectors? When a political array is not interested to even fight at this level, that is to present an alternative, another alternative course for the people to judge, what kind of confidence can the people have in these forces, if they monopolize, as they did monopolize power in the past and always?"

These questions could very well be and should be asked of PASOK.

And so we see at the present time, the party of Mr Papandreou. The political reason, more than the slogans launched from time to time and the blaming of others for his mistakes? What does he offer at this time as an alternative solution in a society that very clearly is seeking something else, as proven in all the polls by the tremendous number of the undecided? In which sectors and for which hot problems that concern the average Greek at the present time? And from the time PASOK is not in a position to present an alternative course, adjusted to the demands of present times, times radically different from the 1981 era, what kind of confidence can the people have to a party that monopolized power for 7 years?

And so, instead of wondering about the New Democracy, perhaps it would be better for Mr Papandreou to wonder about PASOK. Time limits are beginning to narrow. Elections are nearing. And instead of the problems being solved, they are continuously increasing. And answers are not being given to timely questions that presently torture Greek society. Indeed, what kind of confidence, to whom and why, should the Greek people have at the present time?

9346/9604

**Background Data on PASOK Executive Bureau
Members**

35210144c Athens PONDIKI in Greek 4 Aug 88 p 9

[Article: "The 'Green' Leadership"]

[Text] Changes upon changes lately in the (collective) leadership of PASOK—under Andreas, of course—and maybe you've gotten a bit confused along the way too?

Who are the members of the movement's Executive Bureau today, apart from the chairman of course?

Well then, after the additions at the latest meeting, the EG [Executive Bureau] consists of:

Giannis Alevras. He joined EG for the first time in 1978, when he represented PASOK in Parliament. He has held his position continuously since then. He is the only member of the EG exempted from the rule that the members of PASOK's supreme policy-making organ shall not hold governmental positions. Of course, a minister is one thing and the president of Parliament is another, but still... A moderate and an "old-party man," he often hears Andreas calling for his opinion. He is one of the favorites for the Presidency, if Andreas does not take it, or until he takes it...

Kostas Laliotis. He is the cadre with the longest service on the EG of all those now on it: he has belonged since 1976, with the exception of the period from the fall of 1985 through February 1987, when he held no post after resigning from his position as deputy minister of press and information. In 1982 he was named deputy minister for the new generation and athletics, a position he held for about 2 years. In 1975-77, he headed the staff of AGONISTIS and from 1977 to 1984 he was publisher of EXORMISI.

Thanasis Tsouras. He was a member of PASOK's first EG, to which he was reelected in February 1987. In PASOK's first term of government, he was named general secretary at the Ministry of the Interior and later became deputy minister of the same ministry. After the 1985 elections, he became alternate ministry of public order, a post he held through February 1987, when he was replaced by Drosogiannis and joined the EG.

Kostas Skandalidis. He was elected alternate member of the EG at the first PASOK congress. In October 1985 he became a regular member of the EG, a post he held through February 1987. At that time the EG was restructured and he was named alternate member, to become a regular member again in September 1987. The only positions he has held in the state apparatus were counselor at the Ministry of Culture in PASOK's first term of government and counselor at the General Press Secretariat while Laliotis was deputy minister. He is director of EXORMISI.

Thodoros Katsanevas. He became an alternate member in September 1987 and a regular member at the recent session of the Central Committee. In PASOK's first term of government, he was director of OAED [Labor Force Employment Organization], a post he held through 1984. Subsequently he was named director of IKA [Social Insurance Foundation], a position he left in the fall of 1987. He is a professor at the Highest Industrial School of Piraeus.

Alexandros Rosios. The kapetanios. Fought in the resistance. He was named to the EG in February 1987 without having held any governmental position.

Rena Lambraki. She has been a member of the EG since February 1987. Member of Parliament for Athens II continuously since 1977. A lawyer by profession, she has never held a governmental post.

Giannis Soulidakis. Regular member of the EG since October 1987, originally as alternate member. A civil engineer by profession, he was named director general of EYDAP during PASOK's first term of government.

Dimitris Sotirlis. He became a regular member at the recent session of the Central Committee. He was an alternate member from September 1987. In PASOK's first term of government, he was named director general of PYRKAL [Greek Powder and Cartridge Company], a position he resigned from in 1983, when charges were made in connection with the Olympic Marine contract. He was exonerated by court decree and has served from time to time in various positions in the party apparatus.

Stefanos Tzoumakas. Member of Parliament since 1977. Secretary of the PASOK youth for many years. He entered the EG after 1981 (either as alternate or as regular member) and has belonged to it ever since, with the exception of a few months after the 1985 elections, when he served as deputy minister of transport.

Vasilis Papagiannis. Alternate member. At the recent session of the Central Committee he was nominated by Andreas for the position of regular member but did not accept for personal reasons. In PASOK's first term of government, he was named deputy minister of public works. After the 1985 elections, he became deputy minister of the interior. He has been a member of Parliament since 1981.

Manolis Khatzinakis. Member of Parliament since 1977. He has never been employed in a governmental position. Until the recent Central Committee session (when he was elected alternate member of the EG), the highest party position he had held was that of secretary of the Cultural Affairs Committee.

Pandelis Oikonomou. He is the youngest member of the EG. He was elected alternate member at the recent session of the Central Committee. He comes from the youth sector, where he was alternate secretary. At various times he has served on the Organizational Affairs Committee and in the mobilization sector. He has been a member of the Central committee since the 1984 session.

Note: Laliotis, Tsouras, and Skandalidis form the Three-member Secretariat of the EG.

PASOK, Government Positions Seen Increasingly Weak

35210144d Athens I KATHIMERINI in Greek
7 Aug 88 pp 1, 4

[Article by Giannis Triantis: "Elections Because 'The Party Is Fading,' Koutsogiorgas Proposes New Government Shakeup"]

[Excerpts] The leadership of the ruling party is reported to be seriously worried about the particularly negative climate prevailing in the Government and party at this moment. Top government officials are proposing to Prime Minister Papandreou or expressing the opinion—in private conversations—that elections should be brought forward because "the party is fading."

Other officials—including Deputy Prime Minister and Minister of Justice A. Koutsogiorgas—believe there is an urgent need to change certain members of the Government. According to reports, Koutsogiorgas is supposed to have proposed a partial government shakeup as soon as possible (around the end of September or start of October) to the Prime Minister. According to the same reports, the cabinet positions of Minister of Public Order A. Sekhiotis and Minister of Merchant Marine Ev. Giannopoulos are at risk.

The thoughts of a new change in the Government—even if only a partial one—are not the only indication that the "combat team" (as Papandreou described the Government) does not seem to be meeting its responsibilities satisfactorily. The fact that the responsibilities in certain ministries were defined only after a significant delay (and after some unhappy reactions and discontent had been observed); the phenomenon of a minister without... an office, and not just without responsibilities (Kh. Markopoulos, minister without portfolio); as well as the disputes between ministers (publicly displayed at that) prove that the "combat team" has problems, or at any rate is proving not up to expectations.

Of course the situation within the party is no better. The main sign of this is not the delays with the reconstruction (the movement's top officials never had any illusions as to its scope...) but rather the almost total lack of response by the public to the Manifesto (which has negative repercussions within the party too), as well as the realization that the familiar symptoms of decay (pursuing personal strategies, quarrels, etc.) not only have not receded under the pressure of events but are increasing and multiplying, while at the same moment unhappy "reactions" are appearing on the part of respected officials like Rokkos.

The recent session of the Central Committee provided a revealing picture of the situation within PASOK. The session was characterized not only by the storm of criticism (which, by the way, is showing a tendency to turn into picturesque farce and a standing excuse for the members of the Central Committee), but also by the

feeling that the exercise served no purpose and by the realization that the "game" was being played everywhere but there in the session hall.

A final cause of concern for PASOK was of course the departure of D. Mantzaris and in particular his resigning his seat in Parliament, which even top government officials described as an honest act. The cause for concern in this case (and in other possible resignations, which are feared) is that the resignation from Parliament weakens any claim of "apostasy" that might be raised. Mantzaris' departure, in conjunction with the obvious "apostate-ification" of Psaroudakis and Zigdis, creates additional problems for Papandreou, given the fact that these are men of the center. According to reports, the Prime Minister is outraged at Psaroudakis and Zigdis' stance, primarily because they did not give a vote of confidence to the Government.

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Reported ND Poll Shows Significant KKE Losses
35210144b Athens AVRIANI in Greek 7 Aug 88 pp 1, 8

[Text] There has been a great decline in the strength of the KKE, according to a recent poll now on Mitsotakis' desk, which for the first time since the 1985 elections shows PASOK leading New Democracy, by 1 percentage point. This of course is why Rigillis [ND headquarters] is keeping it under lock and key, since it disproves and makes a mockery of the assertions by Mitsotakis and the other leaders of the right that they have gone over... 50 percent!!

According to this poll, the KKE's current strength is only 8.5 percent!

Obviously Perissos [KKE headquarters] knows this too. This explains the KKE's desperate effort to persuade the various minor parties and groupings of the left to come under its flag.

An effort which does not appear to be succeeding, to judge by EAR's [Greek Left] negative stance.

At this moment the KKE's apparent goal is to put Arsenis and Baniyas on its list of candidates in the hope of gaining a few additional votes.

In return, of course, for promising to make the two of them MP's. From available reports, Arsenis and Baniyas do not appear to have any objection, since their own goal is to play a role in the new Parliament.

This confirms what AVRIANI has been reporting for some time, namely that the KKE has cut Manolis Dretakis and Stathis Panagoulis, who, it will be remembered, were elected to Parliament in June 1985 as associates of the KKE.

The Result of Its Policies

The decline in the KKE's strength to 8.5 percent is no "bolt out of the blue." It is the natural consequence of Perissos' policies. Of its rejection of any process of modernization, of any development that would eliminate the atmosphere of secrecy, the lack of transparency dating back to the Civil War period.

The furious response to perestroika is not without political cost.

The KKE gerontocracy, seeing the ground move under its feet, has closed ranks, despite the vast differences separating the old men, and is attempting to face the current of the age on its feet. And thus far it is maintaining its resistance to perestroika and glasnost, but the party is shrinking from the loss of supporters who disagree with its refusal to go along with Gorbachev.

If they manage to hold on through the elections, worse surprises will await the KKE...

Seven Journalists Quit

Another seven journalists have jumped off the KKE "train," by themselves this time, since the party was not... fast enough to expel them.

They beat the party to it and turned in their party cards the day before yesterday in active protest at the total lack of internal party democracy and dialogue; the absence of a "qualitative turn," despite the headlined declarations; and the morass within the party; as well as at the recent expulsion of their colleagues L. Petsinis, Kh. Tzanavaras, and F. Leontopoulos.

The seven who quit the KKE are Kiki Angelopoulou, T. Teloglou, N. Nikolaidis, K. Georgiadis, I. Koutsouradi, El. Khouzouri, and V. Gonatopoulou.

According to reports, the seven intend to send an open letter explaining the reasons for their resignation, and today RIZOSPASTIS is expected to publish a position statement on the grave issue that has arisen.

12593

ICELAND

Women Gaining Increasing Power in Political Life

Sudden Rise of Womens List

36260014c Reykjavik MANNLIF in Icelandic
Jun 88 pp 34-44

[Article by Gestur Gudmundsson: "The Support for the Womens List May Lead to a Turnabout in Icelandic Politics. This Support Already Has the Power To Keep the Government Together—By the Fear of the Womens List: Will Women Seize Power?"]

[Text] The greatest news in Icelandic politics for decades is the great support for the Womens List demonstrated by

recent opinion polls. The support for the Womens List grew slowly but surely. It was almost 10 percent during the elections last year and measured slightly above that in opinion polls last fall, but the support spiraled up to 20 percent after the turn of the year. According to recent polls conducted by DV and Skais for HELGARPOSTURINN, the Womens List now has about 30 percent of the support, or three times more than during the elections last year and more than any other political party. So far, few people believe, however, that the Womens List will gain all this support in the next parliamentary elections, but many people believe that it would receive 20-25 percent of the votes if the elections were to be held in the coming months, and thereby the party would become the second largest. That outcome would in itself be great news, the greatest event in Icelandic politics since the Socialist Party charged ahead with 20 percent of the votes and gained influence in Icelandic politics in 1942.

The political party system and the proportional support for the parties has remained almost unchanged since 1942, and for a long time, this stability created the image that the four parties "owned" the greatest portion of the voters, and that a minimal portion of the voters crossed the four party lines and was prepared to support new parties. What seems to support this theory is that parties such as the National Preservation Party and the Liberal and Left Alliance never gained more than 10 percent support and expired after two or three elections. During 1978-79, the four parties had strengthened their positions once again, and very few political analysts expected a reshuffling of the political party system.

At a closer look, the desire for change could already be detected in the 1978 elections. The victors were the government opposition, the Social Democratic Party and the People's Alliance. Combined, these two parties gained more support than ever before, or about 45 percent of the votes, and many voters seemed to expect that these parties would have cooperation and leadership for a new political policy. In any case, both parties received punishment during the elections the following year, when their cooperation had failed, and in the following elections in 1983, the voters immediately began to look for new options and that was when the new parties, the Womens List and the Social Democratic Alliance, were formed. Despite big words by the latter-mentioned party about a complete reshuffling of the political party system, the end result was that the Social Democratic Party merged with the old four parties after the death of the party founder, Vilundur Gylfason. The other new party, the Womens List, had not been as outspoken about reshuffling the party system and the government, but it did, however, gain increased confidence with low-key but solid argumentation. In last year's elections, the Citizen's Party stole the media limelight and people gazed at the political novelty that was created by the serious split in the Independence Party. It so happened, however, that the Womens List strengthened its position considerably, and during the 1 year that has passed, the Citizens Party has lost

support. The Independence Party has, however, gained much of that support, but it has lost equal support to other parties. The candidacy of the Citizens Party caused a great stir in the Icelandic political party system and that commotion still has not ended.

"The support for the Womens List does not come from one direction only," says Ingibjorg Solrun Gisladdottir, Reykjavik Councilwomen for the Womens List. "Although the Citizens party lost the greatest number of votes, it cannot be concluded that we received them; many of the votes must have been transferred over to the Independence Party and the Progressive Party, but since then, these parties have lost considerable support to us, just like the Social Democratic Party and the People's Alliance which both have lost support. I also think it likely that many voters who have been undecided now support the Womens List."

Many different explanations have been given for the increased support for the Womens List. Thorsteinn Palsson [prime minister] said in a television interview that it was just a traditional increase in support for a government opposition party at a time when unpopular government measures have been taken, and that this increase in support would evaporate in the coming months just as the tremendous increase in support predicted for the Social Democratic Party only several months before the last elections. Thorsteinn Palsson hardly analyzes this upswing of the Womens List this lightly in his heart, but he seems to hope that he will succeed in keeping the current government together long enough to reduce it considerably. Other politicians claim that they now can detect some deeper movement in the outcome of the opinion polls than a short-term dissatisfaction with unpopular government measures.

Steingrímur Sigfússon, chairman of the parliamentary group of the People's Alliance, said in an interview with MANNLIF that there is an anti-regime wave in the society which is affecting all the old political parties. "The Womens List gains from not having participated in the government and therefore it becomes an easy alternative for former supporters of other parties. I am not saying this about the Womens List for any derogatory purpose, but the threshold to cross over to them for any person from any party is undeniably low. We in the People's Alliance must contemplate what the consequences have been that our party has been in considerable trouble; a party which elevated the importance of the struggle for equality, the fight for peace and environmental protection and other such issues. Has that not lead to the opening up of space for another party which has similar emphasis?"

Other members of the People's Alliance who are identified with the democratic generation, do not want to blame internal friction for how much support has been lost to the Womens List. Just the opposite, they feel that this disagreement surfaced far too late, and that the

People's Alliance lost the opportunity to have the initiative for an equal rights struggle for women and grassroots methods because of undemocratic working procedures and stagnation. But what is the case in the other labor party, the Social Democratic Party. It is obvious that the increased support for the Womens List has unsettled that party and magnified internal criticism of the party's participation in the current government. Member of Parliament Arni Gunnarsson goes as far as to welcome the increased support for the Womens List in an interview with MANNLIF:

"This is an uprising against the stupidity of the marketing policy and the new liberalism which have been a strain on us since around 1980. I think people are beginning to realize how the capital has been transferred from the people who work in the basic industries to the growing group that has been able to play in the financial market and acquire great wealth. This is the women's revolt against the demoralizing role which they have had to serve in the society. Almost without exception, women have performed the lowest paid jobs in the production industries and in service, and they cannot take it any more. They are showing the society that they harbor strength and power which they want to start utilizing."

Gudrun Agnarsdottir thinks that the increased support for the Womens List reflects both confidence in the Womens List and dissatisfaction with the old parties. "We never doubt that in the policy and working methods of the Womens List, people visualize new hope and breadth. We reject the traditional working methods of the power system and suggest new ways. Beyond all, we are a movement of ideals which has lived loyally up to its ideals. It is also of note, that many people are interested in voicing their dissatisfaction with the old parties. Corruption in the government system, extravagance and waste of public funds by people in charge arouse the anger and lack of confidence in the traditional political working methods and the joint system of guarantees held by the people in power."

People sometimes ask themselves which of the two gain the support for the Womens List—its policy or working methods. Are the voters attracted to a firm fight by the Womens List for the "soft issues"—higher minimum wage, satisfying the demand for day care centers, unbroke school days, improved care for the elderly and the sick, etc.—or are they taken by their working methods—the grassroots democracy, the renovation rule, the endeavour to try to engage as many women as possible in politics? One answer can hardly be said to be more correct than the other. Both the policy and working methods must be observed. Quite likely, it is the correlation between policy and working methods which arouses the people's confidence in the Womens List.

Ragnhildur Helgadóttir [Independence Party] thinks, however, that it is doubtful that the Womens List can thank its working methods for the increased support. "I

doubt that people have the feeling for how they work in their conference rooms. Nor are the working methods of the Womens List democratic in every way. For example, they do not have open primaries. I believe that the progress of the Womens List is a result of women's dissatisfaction with how little influence women have in the other political parties."

Very few of the Womens List issues are new, they have been a part of the policy of the People's Alliance, the Social Democratic Party and even other parties for years. On the other hand, people seem to entrust the Womens List to an ever increasing degree to do more about these issues than the other parties have done. These parties have all participated in governments in recent years, but very little has been accomplished by the parties in the welfare issues which they have been promoting in their policy programs. To a certain degree, the policy programs of both the A-parties [Althyduflokkur (Social Democratic Party) and Althydubandalag (People's Alliance)] are similar to the policy program of the Womens List, but what has happened when these parties have made it into the government? The Social Democratic Party almost maintains that it is not timely to initiate a great effort in social welfare matters. The economic life must first be balanced, and that must be done with measures that in various ways work against the party's welfare policy. The People's Alliance was to a certain degree firmer when at the helm, but that is countered by the fact that the inflation got totally out of control during the party's last term in office, while welfare matters made slow progress. It is not only this incongruity between promises and delivery of promises which reduces the voters' confidence. The leaders of both parties have adopted the attitude of typical politicians. They use nice sounding phrases when they speak, cleverly avoiding attacks, but people have problems finding sincerity in their rhetoric. Perhaps this did not do any harm while all politicians were like this, but after the Womens List entered the scene people have a comparison. The rhetoric of Jon Baldvin [Hannibalsson] and Svavar Gestsson sounds even more shallow when they respond to questions sitting next to Gudrun Agnarsdottir [Womens List].

The Womens List started in a modest way, and it put more emphasis on ideological debates and reaching as many women as possible than to form a clear position in all the numerous issues that have to be handled by the Althing and the municipalities. These working methods have provided a very sound foundation for the party, and without a doubt that proved to be better than if the party had rushed into forming a detailed policy program for all issues. Many of the initiators of the Womens List were well versed in the feminist movement debates, the Red Socks [feminist movement in Iceland] and other radical movements which had been powerful for over a decade in our neighboring countries. Although they learned a lot from their sisters in our neighboring countries, they proved to be able to do one thing that had not been successful elsewhere: To establish a mass movement which threatened the "male power" in one of its holiest sanctums, i.e., in the parliament. Radical women in other countries had not tried this, as this debate

seems to have been relatively isolated among educated middle class women and the distance between them and regular lower class women is considerably greater than in our small society. Icelandic enterprising initiative and optimism seems to have made the difference needed, which seems to have been lacking everywhere else, in order to turn the women's movement into a real mass movement.

The key ideas among the initiators of the Womens List were criticism of the "male power," or "patriarchy," and emphasis was put on "women's joint world experience" as the conditions for political policy. As has been mentioned already, the individual political program issues are often similar to those of the Socialists and Democrats, but they are promoted under other labels. The socialists have concentrated on criticizing the prevailing regime for class discrimination, but the Womens List has adopted the feminist ideology that sex discrimination is not any less of a fundamental issue which must be combatted. However, the Womens List has not in any way denied criticism of class discrimination, as comes forth in their emphasis on increasing the minimum wage.

In their criticism of class discrimination, the Socialists have usually referred to the joint interests of wage earners, or the "proletariat" as they used to be called. This identity has lost some of its value in recent years, because the wage difference has increased among wage earners and their lifestyle is much more varied. The reference of the Womens List to the "women's joint world experience" is, however, right on target. The great majority of women, to whichever class they belong, has had to suffer sex discrimination in salaries and promotions. They can also refer to joint and positive experience which is part of their sex role, the experience connected with childbirth, child care and taking care of the sick as part of the responsibility of keeping a home. While this experience provides a positive foundation to build on, almost all women know how unappreciated these jobs are. They are not only unappreciated in the work market and often by the husbands as well, but also by the state. At the same time that the society demands women in the work force, it does very little in order to ease their work in the home, along with the old fact that the upbringing and care of children is almost entirely carried out by women.

The Womens List was able to build on this basis of joint experience of women and their joint dissatisfaction. They also built on the long experience of the feminist movement, especially in the Red Sock movement which had operated for a decade. Many of the women in the party are in fact trained in the Red Socks' movement, and they were also able to learn from the movement's mistakes, for example, to avoid speaking with arrogance to the lower class women who had not thought about these matters that deeply. The Womens List also had some training ground in the Women's Candidates [political party] which achieved good results in the municipal elections in 1982, and acquired certain experience in tackling the men in their home territory in the system.

In the beginning, the opponents of the Womens List often accused the party of having a very undefined policy in many issues. Their policy in labor affairs and public affairs was very loose. What, for example, did the "economics of the practical housewife" mean? But that was the economic solution of the Womens List during the 1983 elections. How did this economic policy differ from the financial administration of Eysteinn Jonsson which always put the main emphasis on balance of revenue and expenditure? The policy was even more unclear in security affairs. The members of the Womens List said that they were against war and military alliances (and who is a self-declared supporter of a nuclear war?), but they were not willing to declare themselves against the U.S. military base at Midnesheidi.

Because of these unclear issues in their program, the Womens List received harsh criticism by other politicians. The voters, however, gave this argument a different judgment. It came to light that many voters had little faith in the quick solutions which the old parties claimed to have for most matters. It seemed as if the voters had a vague recollection that these solutions were not quite that simple when the parties gained power. The voters appreciated the sincerity of the Womens List. When they [the women] said that they had not formed a policy on this and that issue, but the movement in its entirety would take a position on these issues based on the basic outlook women have on life, a new tone could be heard in Icelandic politics, a tone that attracted many voters. In an interview with MANNLIF, Gudrun Agnarsdottir explains, almost in a poetic manner, the distaste the Womens List has for hard boiled analyses.

"We have not hesitated to identify ourselves as having a sense of community. However, we want to warn against too much identification. The creation lies in the abstract. We are searching and feeling our way forward, and if one defines one's objectives too soon, they might get suffocated before they reach maturity."

The Womens List barely got three women in the Althing in the first parliamentary elections and they had to be on the defensive in the Althing, as they were too few and met with very little cooperation from other parties. Their political opponents and a great part of the media world joined together in making them look almost funny to the voters. Phrases such as "we took a position on this issue and other issues based on women's interests and outlook on life" turned into jokes when discussed by many of those who are the most powerful in creating opinion among the nation. This was part of the reason that many people predicted that the Womens List would not survive another election.

Then the Womens List achieved better results in the 1987 elections than anyone had predicted. This was not just the result of the internal dissolution in the People's Alliance and the loss of support for that party. The increased support for the Womens List could only be explained by that fact to a small degree. It seems to have

been more of a deciding factor that during the party's first electoral term, it succeeded in creating a unified grassroots program which reached most of the country.

"When we have gone around the country to assist in establishing new Womens List organizations, we have heard the women in these places get up and state their opinions. These opinions have been in complete agreement with our opinions here in Reykjavik and that is not because they have accepted some line but because they think like we do." These are the joint statements of several women from the grassroots of the Womens List who the MANNLIF reporter met in their office.

The 1987 elections did not only yield the Womens List considerable increase in support, but it also provided them with members of parliament who were women from around the country which was no less beneficial for the party. Danfridur Skarphedinsdottir was elected from Vesturland and Malmfridur Sigurdardottir from Norðurlandskjordaemi Eystra and the party was close to getting more seats from around the country. This has been keenly demonstrated in all debates of the Womens List in the parliamentary session that just now ended. The women in the Althing have not only been spokespersons for women and low wage earners, but spokespersons for the regions as well, and this emphasis has without a doubt been successful for the Womens List, as there is a far greater dissatisfaction with the government policy out in the regions than in the metropolitan area.

When viewing the work of the Womens List in the Althing in the session that just ended, it can be immediately seen that they have been much more active than during the previous electoral term. The difference is not only that the size of the parliamentary group has doubled, but the parliamentary group benefits from the work of numerous women who work "behind the scenes" in preparing various issues. The Womens List has continued to work on a grassroots basis.

The touchstone of the working methods of the Womens List was the debates on the government formation last summer. The election victory of the party resulted in the fact that the other parties no longer were able to bypass them, also the increase in the number of parliamentary groups meant that the government patterns which had been discussed before the elections were no longer possible. In this situation, the leaders of the other parties reacted by pressing the Womens List to participate in the government formation debates. It was quite obvious that there was not much sincerity behind this sudden interest in the participation of the Womens List in the government, but the desire of the opponents to press the Womens List and try to either unveil it as an "irresponsible power" or force it into government cooperation in which the party would be very ineffective. The women of the Womens List withstood these purgatory tactics with excellence. The deciding factor was that they kept close to their grassroots working methods. The other parties

handled the government formation talks in the traditional manner and gave a handful of the party leaders extensive power to conduct the government formation talks. The Womens List, on the other hand, approached it by allowing all members to participate in the talks. A general meeting was held every day where the representatives of the party in the talks reported what had happened and then decisions were made on the position of the party. A large group of the members of the Womens List in Reykjavik participated in the entire discussions, and several women came from other regions and stayed in Reykjavik the whole time and took an active part in the discussions and kept in contact with women in their home regions.

There were frequent disagreements in the "grassroots" about the policy in the government formation talks but they always came to an agreement through thorough debates. Not much has leaked out about what the disagreements consisted of, and the fact is that the women of the Womens List are not fond of airing their disagreements. It is known, however, that several of the members wanted more initiative in the debates and to put the main emphasis on reaching cooperation with the A-parties [the Social Democratic Party and the People's Alliance] as they are the closest to the Womens List. There was no agreement on this emphasis, and it became the role of the Womens List to participate in debates which others had initiated. They showed great firmness in their policy in these debates and they did not let the superior attitude of the other participants throw them off balance. Thus they made a considerable increase in the minimal wages a criterion and they did not budge when the other participants called in economists from the government, the Federation of Icelandic Employers and the Icelandic Federation of Labor for their support and declared this demand completely unrealistic. The media sided mostly with the opponents of the Womens List, and everybody who claimed to be knowledgeable about economic affairs joined the choir of shock over the stubborn and unrealistic demands made by the Womens List. It gradually came to light, however, that the people in the country had different opinions than those who claimed to be in charge of the opinion formation. A great number of the people in the country felt the same way the Womens List did, i.e., that during economic prosperity, people should be able to live off their daily wages and if the economic system could not handle that, something other than such a basic demand had to be sacrificed.

When Jon Baldvin Hannibalsson and Thorsteinn Pals-son asked the Womens List to join in the government formation discussions, they probably intended to undermine the women before they gained more support. Either they would be forced into a government cooperation which would yield very little or no results for them, or that they would drop out of the debates with shame because they were unable to pursue a realistic policy. Neither thing worked; the women of the Womens List walked proudly away from the government formation discussions when it became clear that the old parties did

not intend to support their new views. Both the women and the voters realized that they had no business in the halls of power until they had gained more support.

And the support has indeed been coming to the Womens List. They have stuck with their convictions and strengthened their work both in the grassroots area and in representative meetings. All around the country, so-called factions of the Womens List or local grassroots organizations have been forming, and at the same time, they have intensified their work in the Althing and in the municipalities. This war has gradually yielded them more support, but they can most likely also thank an unpopular government and the dissolution in the People's Alliance and the ineffectiveness of the Citizens Party for the unbelievable current support, now over 30 percent.

The work of the Womens List on special issues in the Althing has become considerably stronger than in the last electoral term. This is not caused by the increase in the number of members in the parliamentary group alone, but there has been a gradual acquisition of experience and policy making among the numerous activists in the Womens List and various groups that have worked on individual issues. The coworkers of the Womens List in the Althing agree that their issues are generally well prepared.

Arni Gunnarsson [Social Democratic Party] gives the working methods of the Womens List the best grade: "I admire their working methods. They work in an organized manner as a mass movement. They study the issues extremely well and consult their colleagues. They are always well prepared at meetings, but that cannot be said about all members of parliament. If one is looking for the negative factor, they can be criticized for showing a limited interest in the hardline policy formation in economic affairs. Then their organization can be a hindrance. They need someone who can be in charge when a sudden decision has to be made. It can be said that there is a certain lack of realism in their proposal presentations and working methods, but I don't think that is too much of a problem. I respect their work greatly and in many ways I agree very much with them."

The Womens List has been blamed for placing too much emphasis on the "soft issues." They have submitted detailed proposals for an improved health system, improved educational system, increase in minimum wages and in general, this has been accompanied by proposals for raising revenue for individual reform issues. On the other hand, they have not submitted a comprehensive policy in economic affairs and state finances, and this fact led Minister of Fisheries Halldor Asgrimsson to say that the Womens List was not at all involved in serious politics. The reaction of many people indicates, however, that this comment hurt the minister himself more than the women it was directed against, and as a example, Steingrimur Sigfusson does not want to agree with the criticism of the Womens List for the

party not being involved in all issues. "One political party can never cover the entire country and the entire fishing banks in the same breath. We in the People's Alliance have frequently emphasized one issue in one parliamentary session, for example fisheries, and then we would emphasize industrial affairs in the next session. It must not be forgotten that the government opposition has an uphill battle to fight because we are working against the entire system. The government sits in the system and lets the government officials do its work, but we must accept and we only have ourselves and 24 hours in a day. I would rather criticize them for not always stating clearly how they intend to get revenue for public consumption. They have, for example, very lofty ideas about how to improve it, and they submit proposals for an unbroken school day and for having food served in the school. This would cost billions of kronur, and they weaken their arguments by not answering categorically the questions that pop up immediately in the mind of most people—where are you going to get the money?"

Steingrímur [Sigfusson] also has a mixed feeling about the grassroots working methods of the Womens List. "I think it is praiseworthy and feasible, but these working methods also make them slower and more cumbersome. In the final run, members of parliament often have to almost play it by ear because things happen so quickly. I am not saying that it is feasible, but the Womens List is often slow because they abide by very broad and open working methods."

Ragnhildur Helgadóttir [Independence Party] says that the Womens List has not turned out to be more irresponsible than other government opponents. "It has often been said about a government opposition that it prefers to spend money rather than earn it and therefore it does not give rise to any special criticism of the Womens List. I think that they endeavour to do their work as well as other government opposition parties."

In viewing the issues presented by the Womens List in the session that just ended, it can be immediately seen that the Womens List still puts its strength in certain issues which have been called the "soft issues." They have presented a proposal about legalizing minimum wage; they have presented numerous proposals about improvement in educational affairs and health affairs, and they have submitted numerous inquiries, especially within these issues. All these proposals indicate ideology that is neither very complicated nor colorful, but simple, strong and comprehensive. The basis for this ideology is that the Womens List takes a position on all issues on the basis of the "views, experience and culture of women." Their definition of the joint world of women's experience, which creates a special position for them with respect to men, is primarily based on women's experience as mothers and in other roles involving care.

Women are prone to thinking about the needs of others. Generation after generation they have held the responsibility for the home, the children, the old and the infirm.

Because of these jobs, as well as their upbringing, women have different experience than men. The women's experience leads to different value judgements, different life values than the values in the male world.

The goal of the Womens List is to make this life value a policy objective in decision making on joint issues in the community, and they do not hesitate to present their new measuring standard in a daring manner:

"Everything that can lead to improved status for women, will be reflected in a more just and better society."

This policy statement is phrased in a manner similar to a statement by the director of the General Motors conglomerate. "What is good for General Motors is good for the United States." Gudrun Agnarsdóttir explains this policy statement further as follows:

"Women's fight for equal rights is part of a constant battle. All the time groups are emerging demanding the abolishment of injustice they have been subjected to because of skin color, gender or something else. Each time this human rights fight conquers, it is a gain for the entire human race. Some people think that women can only gain victory at the expense of men, but it is my opinion that the victories of women improves the life of all of us."

The issues the Womens List has fought for and stood behind have a clear and obvious connection with the basic ideology. These issues aim at improving the wages and benefits of women in the work market and to improve the state's services for children, sick and the aged; the women's "protégés." In addition to equal pay, they emphasize fulfilling the demand for day care centers; that the schools be acceptable facilities for the children for the entire work day; that the government improve its service for the aged and the sick and that the government ensure that all young people can receive higher education irrespective of economic status and place of domicile.

In one of these issues, the Womens List has presented its policy in a more daring manner than people expected in the beginning. During the entire first electoral term, they were criticized for an unclear position on U.S. bases and NATO. It was known that a great part of the Womens List were loyal base opponents but they did not want to force the party to take a position against the U.S. Armed Forces as it was feared that it might push many women away from the party. Then the unexpected happened toward the end of the term, namely, the women in the Althing started to declare that they wanted to work towards closing the base, as that is in accordance with the general peace policy pursued by the Womens List. This policy formation was first heard officially from Kristín Halldórsdóttir who had never been associated with the Organization of Base Opponents. Other women seconded this, and it cannot be detected that this policy formation pushed women away from the party, but this

example seems to indicate that with the experience and discussions in the grassroots, the Womens List can come to a decision on more and more issues. By employing these working methods, they are able to handle issues with fresh approaches, even the base issue which has been the toughest issue in Icelandic politics.

For 6 years, representatives of the Women's Candidacy and the Womens List have worked up a tough opposition against "king" David [Oddson, mayor] on the Reykjavik City Council. Their importance in the minority is considerably larger than representing one out of six representatives, as their representative enjoys the benefit of the grassroots work and she has had a great part in strengthening the cooperation of the minority parties by working toward the unity that characterizes the working method of the Womens List.

The ideology of the Womens List has not changed from the last electoral term and the implementation follows the same main lines. As mentioned before, the views of the rural areas have been felt increasingly; their proposals are more thorough and more numerous than in the previous sessions, and the women of the Womens List are active in more issues but from their own point of view. The increased support for the party can therefore neither be attributed to a policy change nor that the party is more active. The Womens List has not basked particularly in the media limelight; when politicians are called to discuss the situation and prospects, women from the Womens List are rarely among them, and the reports of the largest media have not shown any special interest in their proposals and arguments. But what then causes this increased support?

The closest answer is the old saying that the "drop hollows out the rock." The arguments of the Womens List have gradually gained attention, especially through the party's grassroots work. Increasingly more women (in fact men also) are in direct contact with women who are active in the party's work and the interest has gradually been transferred. The women in the Womens List also emphasize in their arguments that few other issues are represented than the ones women have thought about for a long time, each in her own corner, and the longer the Womens List is in the game, constantly more women work up the courage to express their thoughts and join other women who think similarly.

This grassroots harnessing and the reference to the joint experience of women well explains the steady increase in the support for the Womens List, but it does not suffice, however, to explain the sudden jump that occurred in the support for the party in the opinion polls this spring. That cannot be explained except by looking at the other political parties. The government has become increasingly more unpopular. The supporters of the government parties are dissatisfied with it, each in their own way. The public feels the food tax in the purse, as well as other increases which do not help the government at all in

maintaining the economic balance, not to mention getting a grip on the problem. The other government opposition parties do not appeal much to the public. The People's Alliance has in no way reclaimed its credibility among the voters and the party is plagued by continued strife for survival and fratricide. The Citizens Party has a very weak profile in the eyes of the voters who have a problem in discerning whether its criticism of the government comes from the left or the right.

In this situation, the Womens List has attracted the support of those who are dissatisfied with the government policy. Arni Gunnarsson quotes an anonymous member of the Womens List that "we do not have to do anything to gain this increased support. We sit back and you push the support to us." This should not be interpreted, however, to mean that the Womens List has not earned this victory. After their performance in the government formation discussions and continued handling of matters in the parliament at that performance level, people trust the Womens List to promote a policy that is favorable to the households. People do, however, wonder to what extent the supporters of the Womens List will be loyal, and to what extent the voters are handing down temporary admonishment to the other parties in the opinion polls. One thing that causes uncertainty about the support for the Womens List in the coming months is the renewal that is foreseeable among the party's spokespersons. This summer, Ingibjorg Solrun Gisladdottir will leave her position as city council member for the Womens List and Elin Olafsdottir will take over. Ingibjorg Solrun Gisladdottir has served on the council for 6 years, and she has been considered a sharp and active representative for the Womens List. One year from now, Kristin Halldorsdottir and Gudrun Agnarsdottir will have been members of parliament for 6 years. They are the best known members of parliament from the Womens List, and some people are of the opinion that it will be difficult for new spokeswomen to reach the people as thoroughly as these women have done. The members of the Womens List reject all such negative talk. They admit that it will be difficult for new women to make a niche for themselves as representatives of the Womens List, but at the same time they consider that new people strengthen the Womens List.

Gudrun Agnarsdottir: "It is the nature of mass media to connect ideas with certain persons and thereby install certain women spokespersons, and it is also difficult to take the first steps to speak for our cause in the public arena. All our work is directed toward countering these difficulties. We felt that 6-8 years was the normal time to serve as a spokesperson, but that is not a specified holy time, it is based on the nature of the work and the personal situation of those who serve as representatives. The system must adjust to the people. The objective is to utilize the experience and talent of women and at the same time to ensure natural renewal. Our strength consists of the fact that we have different spokespersons who can speak on behalf of the varied culture that makes up

the world experience of women. We have been able to rally around an ideology which we all interpret in our own way."

Ingibjorg Solrun Gisladdottir: "When the first women were selected for candidacy for the Women's Candidates and the Womens List, it was in many ways running blindly ahead. However, the women who were selected did very well, and we are always getting proof of how many women are unbelievably quick to get the hang of speaking for our cause in public. It is a part of our strength that we have been able to show that politics is not only for the select few if all the working methods are performed in the grassroots manner."

If one is to forecast developments in Icelandic politics in the coming months, it is clear that the Womens List holds a key position there, no matter how the matter is viewed. The great support the party received in the opinion polls now will most certainly affect the actions of other parties. That does not mean that it could be expected that the government will bend its policy toward the policy of the Womens List. All government actions lean in an opposite direction. However contradictory it may seem, the direct influence on the government parties now caused by the increased support for the Womens List is to push them closer together. The fact is that none of them desires elections now. It would be hard for the Independence Party to accept less than 30 percent of the votes in two elections in a row. That would pose a danger for the party to get stuck in that size. The Social Democratic Party has lost more support since the last elections, and the party is far removed from the voter figures that it was looking at in public opinion polls only 16-18 months ago. The Progressive Party is now the only government party that has a chance of maintaining its support, but the party leadership must think further ahead than the next election day, but then they are faced with rather undesirable possibilities. It is quite unlikely that Steingrímur [Hermannsson, foreign minister], Halldór [Asgrímsson, minister of fisheries] and Pall from Hollustadir [Petursson, chairman of parliamentary group of the Social Democratic Party] are interested in becoming servants for the Womens List, but it is hardly to be expected that they would be offered other accommodations in a government household that would be established after elections that would be held now.

It is quite natural that the government parties are reluctant to admit in public that it is the fear of the Womens List that keeps them together. Arni Gunnarsson said, however, in an interview with MANNLIF: "I have often said that if there is anything that will save this government, it is the size of the Womens List in the public opinion polls. The Independence Party has the right to dissolve the Althing, but the party will not exercise that right while the Womens List is the larger party in the public opinion polls."

MANNLIF tried to get various political leaders to tackle the problem that would arise if the power ratio in the parliament would be the same as it is now in the public

opinion polls. In general, they did not want to touch that problem. The women in the Womens List do not want to name any one government pattern but they emphasize that they will make strong demands for the basic issues of any government they are a part of. The competitors of the Womens List still do not want to believe that its voter support will continue until the next elections. Nonetheless, neither Steingrímur Sigfússon or Arni Gunnarsson considered it to be an absurd alternative that the A-parties would form a government with the Womens List, perhaps with the participation of the Progressive Party. Arni Gunnarsson is of the opinion, however, that a three-party government or more is always unfavorable, and that it is better for the social powers to aim at unity in one political alliance.

It is not just that the Womens List is named by everybody when the question comes up about what government can conceivably take over from the current government. It is quite clear, that if the Womens List would gain considerable support in an election, it could hardly be avoided that the party would receive the leadership in government formation discussions and that the party could affect the discussions. This would create a situation totally opposite to what took place during the last elections, i.e., other parties would have to take a position on demands posed by the Womens List. This would put most politicians in grave trouble. On the one hand, they would have to accept the Womens List's definition of what "serious politics" is which would mean that many of the political prima donnas would have to eat their hat, so to speak, or excuse themselves from the game for a while. A parliamentary majority without the Womens List would be almost unthinkable, and the conditions set forth by the Womens List would be of such nature that it would be extremely difficult for a politician to reject that without his popularity suffering. It seems to be a growing feeling among the nation that the Womens List should be given a chance. All the other parties have messed up in governing the country, anyway, and no one accuses the Womens List of being without responsibility, lack of will to work, or lack of knowledge of government issues. Why not let them try?

The current government parties fear this possibility more than others. That is why they will try to stick together for a while longer. This union has never been characterized by true love, it was created by some sort of realism as there were hardly any other possibilities in the picture and mostly, however, by their joint need desire for power. This government cooperation calls to mind bankruptcy in which no member wants to settle the accounts for fear of losing everything he or she owns. The government parties have more and more disagreements, they try to make each other unpopular while at the same time they hang in there in the hope that the voter support for the Womens List will not last through the electoral term.

There are all indications, however, that the gain of the Womens List will lead to more changes in Icelandic politics than have taken place for decades. It is uncertain

whether the party as such will reap the rewards of these changes; moreover, that was not necessarily the intention, the party was conceived as a "temporary measure," as is now well known. The party's gain has already had extensive influence in all parties and this influence will doubtless magnify and cause great news in Icelandic politics.

In all parties, this increased support has boosted women's struggle for increased influence as well as more women candidates. Ragnhildur Helgadóttir, former minister for the Independence Party, has no doubt that the increased support for the Womens List can to a great extent be ascribed to the fact that "there is shortage of women in the leadership of other parties. For example, there has never been more than one woman in the government at one time. Women simply want more power, and while the old parties do not support them, this effort is demonstrated in increased support for the Womens List." Ragnildur Helgadóttir thinks, however, that women in general do not support the policy of the Womens List.

"The Womens List takes very socialistic positions to many national issues, and I am not so sure that all its voters agree. I view a vote for the Womens List, first and foremost, as a statement to the effect that the influence of women in politics should be greater. I do not think, however, that the Womens List will last long. Women are not interested in taking a position solely based on gender. In the long run, the Womens List would be as unnatural a phenomenon as a party which does not allow women to join."

The women of the Womens List do not agree that their role is over, although they already have influenced many parties. Gudrun Agnarsdóttir: "As long as the Womens List exists, the party itself will not only be a motivation for changes but also it will be an influence on others. We must not forget that there are now more women in the Althing than ever before. The other parties feel that they are forced to support women in their efforts, and to redefine themselves and react to the provocation the Women's Party causes. They have tried various methods, such as defamation; they have tried to pretend that we do not exist; they have tried to take over our ideas and style of speech in order to "make us not needed"—all this to get rid of us and get back their good old votes which they feel they own. This applies to the party leaderships, but within the parties there is also a similar effort as exists in the Womens List. This is an effort to try to give people more power over their closest environment and themselves. It is actually a desire for a greater distribution of power, which the people in power will have to understand sooner or later."

It is unlikely that the Independence Party or the Progressive Party will be greatly influenced by the Womens List with regard to policy and working method, although it might be able to force these parties to have greater consideration for social issues than they have had for some time. However, there are black clouds on the horizon indicating that the gain of the Womens List is

causing great turbulation within the Social Democratic Party and the People's Alliance. These parties agree on many things in their policy, nonetheless, they have had greater difficulties working together in the parliament than working with other parties. Arni Gunnarsson says that the Independence Party succeeded in splitting and reigning over the social powers in the power of its size and their split, but that the gain of the Womens List might be the factor to rattle them. To the political spectator, the A-parties are usually similar to two brothers at play who can never agree and fight constantly. Now, however, they have gotten a sister who is outgrowing them, and it is possible that she would be able to turn to them like the big sister in charge and order them to agree on the rules of the game. Otherwise, she will take their toys away from them.

On the other hand, the old parties are now seriously pressing the Womens List to take a more definite position on the matters of disagreement which up to now have been the dividing factor in the gap in Icelandic politics.

"The Womens List tries to spread itself like some new width directly across the political arena," says Steingrímur Sigfússon, "but they will not change one thing, namely, that politics is the conflict of different viewpoints and interests. In the long run, they will not be able to avoid taking a position on the basic contrasts in Icelandic politics. Participation in the government would be sufficient, as they would then position themselves somewhere from the right to the left in the political spectrum. If they do not do that themselves, then others will, and they will be judged from their actions. In my opinion, they must come to terms with certain factors in their ideology with which I strongly disagree. I strongly protest the fact that gender gives people more in common than profession, living conditions and environment. When it comes down to it, do people really think that a woman who works in salt fish processing in Bakkafjörður has more in common with the wife of a director in Reykjavík than with the common laborer who works next to the woman in the salt fish processing?"

It is noteworthy that there is more irritation felt among members of the People's Alliance against the Womens List than among the members of other political parties. The People's Alliance feels that the Womens List stole the show as the main power of the government opposition, and that the internal problems of the People's Alliance and its decreasing voter support is often represented by attacks on the Womens List. But at the same time that the stubbornness of the People's Alliance keeps increasing, the chances of the party leadership of getting out of the current problems cheaply decreases. The opinion must be gaining support both within the People's Alliance and the Social Democratic Party that people are looking at the gain of the Womens List as an indication of developmental possibilities in politics and a challenge for totally different working methods.

Arni Gunnarsson thinks that the gain of the Womens List is a definite indication of a new political swing, away from liberalism and supporting social viewpoints and equality of the sexes. If such views win in his party and other parties, the Womens List has succeeded in its mission, and the party can live up to its words that it is only a temporary measure. There is, however, very little that indicates that this will happen in the coming months. Instead, it is likely that the Womens List will carry out a big role in the political history in the near future. There are many trials and tribulations ahead, but most likely the party will also have the opportunity to put a crucial mark on Icelandic history.

Other Parties' Women Profiled

36260014c Reykjavik MANNLIF in Icelandic
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[Article by Kristin Olafsdottir: "Maybe We Could Form a Government"]

[Text] They are extremely different but, nonetheless, they have various things in common. What unites them is also the basis for their dissention. Politics. They have all been active in the political arena, one in the Social Democratic Party, another in the People's Alliance and the third in the Independence Party. Their names are Bryndis Schram, Gudrun Thorbergdottir, sometimes called Bubba, and Ingibjorg Rafnar. Their husbands are well known politicians, Jon Baldvin Hannibalsson, Olafur Ragnar Grimsson and Thorsteinn Palsson, chairmen of political parties and two of them are ministers. The families of all three are from Isafjordur! Bryndis, Gudrun and Ingibjorg do indeed have a lot in common. That was one of the reasons MANNLIF invited the three of them out for dinner.

Bryndis suggested the Cafe Opera and the rest of us felt that it would be correct to depend on Bryndis' taste in this area. We arrived one by one at several minute intervals. The reporter first, then Gudrun, Bryndis a little later and finally Ingibjorg. It did quickly enter my mind whether there was some connection between the order we entered the restaurant and our status on the social ladder. Those ideas were quickly rejected.

"Wednesday evening and the place is almost full, says Ingibjorg with emphasis as she is sitting down and Bryndis agrees: "This is how it is every single night, as far as I understand, in mostly all the restaurants in the city." Gudrun: "The place is not quite full, that is not correct. To be sure, I rarely go out to restaurants to eat, but I have not found them to be full night after night as you ladies maintain." Bryndis: "Oh, yes, my dear, it is always like this." Gudrun adds politely: "These must be some special groups now in connection with the graduations or just tourists." The others protest, and they all but say what they are thinking, i.e., that during the period of this current government, the living standard is

so good that people are better able to afford to go out to restaurants in the evening than before. Gudrun's words, however, indicate that her opinion is that in the wake of the wage and benefit shrinkage in the past months, it cannot be that the restaurants are full unless there is some special explanation for it. Before the night was out, they had all aired their opinions on this candidly.

These women MANNLIF was interviewing had all been active in municipal elections at one time or another. Bryndis was number two on the Social Democratic Party list in the Reykjavik municipal elections in 1986, and she is now a member of the Harbor Commission. Ingibjorg was a member of the Reykjavik City Council from 1982-86. For a while, she was a deputy chairman of the Reykjavik City Council and a member of the Committee of the Reykjavik City Council for 3 years. She was a chairman of the Harbor Commission for 4 years. Gudrun has been a member of the Seltjarnarnes Municipal Council from 1978. Bryndis, Gudrun and Ingibjorg all have jobs outside the political arena. Bryndis works for Stod 2 (television station) as a program writer. Gudrun owns and operates a store called Garngalleri [Yarn Gallery] and Ingibjorg operates a law office with her sister and another woman. These women do not know each other intimately, and they have never sat down to dinner together before except at large receptions.

All the husbands of these women have in common that they have made a name for themselves in the national political arena. They are asked whether they are more interested in municipal affairs or national politics. Also, whether it is simply easier for women to gain access to the municipal boards than the Althing.

Ingibjorg: Maybe both. I do tend to think that it is easier for women to gain access to the municipal boards than the Althing, in addition, municipal affairs are much closer to us than national politics. Those issues are much more palpable in our daily life and that is why it is interesting to get involved.

Bryndis: When I entered the list for the municipal elections in 1986, it was more a coincidence than anything else. I felt that it was my duty as a citizen to join when needed. That is why I entered the battle.

Gudrun: I live in Seltjarnarnes and consequently I am partially a rural resident. Among the people I associate with, many things have been criticized in municipal affairs, and in order to try to influence that, leftist people united and formed a bloc in the 1978 municipal elections. I was then approached to be number one on the list. There were many issues on the agenda which I felt were in great disarray, and the issues that were being handled were far too few. That is the reason why I began to get involved in municipal affairs.

Reporter: Why did you stop being active in politics, Ingibjorg?

Ingibjorg: There were many reasons. I do not deny the fact that it did matter that my husband was totally emerged in politics. He had always been involved in some way, but his involvement increased considerably in 1983. It is very difficult to have two politicians in the same household, especially if they are both totally involved. At that time, I was on the Committee for the Reykjavik City Council and that position requires that you do a lot of work. It also requires considerable social activities, one has to attend this and that, and when it came to the stage that I had to attend as my husband's wife, which is very pleasant, it was simply too much. My nature is that if I have to fulfill certain duties, then I want to do it well. I could not do it under these circumstances and I decided not to be a candidate for the 1986 Reykjavik municipal elections. Thorsteinn, however, did not agree with this decision. He encouraged me reluctantly to continue on the city council. But the fact is that I felt this had become uncomfortable and that it was too much strain on the home. This changed even further when he became minister of finance because there are moments when the interests of the municipalities and government can be opposite. Such a situation can also affect the home adversely. I therefore decided, all by myself, to quit and the fact is that I have never regretted it. Have you not felt this strain on the home, Bryndis?

Bryndis: Well, of course I did not make it to the Reykjavik City Council, so I am not deeply involved in that kind of work, as I am sure you were. I am, however, on one of the city committees, the Harbor Board. Actually I am your replacement there.

But the fact is when your spouse lives and breathes politics, it is hard not to get smitten. Last year has been very difficult. One political crisis after another. There has not been a moment's peace. Under these circumstances, I would have found it very difficult to do a job that made great demands on me. I have automatically pulled back in order to be better prepared to take on the shocks and to be able to be strong in times of adversity.

Gudrun: I can't say the same. My husband is not a minister, and I have not found it difficult to combine my work and his work in politics. I understand what Bryndis is saying and I respect that to a great extent, but I think that Olafur would have to be very busy in his work in order for that to disturb my work. I think that under any circumstances, I would give myself time for my work because the fact is that every person does his or her own work alone and we use our free time to discuss our affairs. One takes the time if it is necessary.

Bryndis: I am not saying that one should not work, I do. I am saying that it does not work for us if we both have great mental stress. One of us must give and sacrifice something. Some one said that "little things mean a lot," a cup of coffee in the middle of the night after a day's work, even an entire meal, a smile, encouragement, clean socks—nothing important, but it makes a difference in this endless struggle. It is difficult to have to resort to

unpopular political measures, especially if one lives in the city of Reykjavik. Anonymous letters and telephone calls and mobs gathering during the night, even raw eggs thrown at the bedroom window. At times like this it is perhaps nice to know of one person who does not fail.

Gudrun: This is, of course, a perspective but I feel that I stand completely at my husband's side even though I am totally emerged in work....

Ingibjorg: It is two different things to be in the government and to be in the government opposition because the people in the government opposition have a much freer rein. The representatives of the government opposition can submit proposals but they do not have to take the responsibility for their actions in the same way as those who are in the government parties. There is also a difference in being a member of the government coalition and being a minister. I have tried both as my husband's wife. As a spouse of a politician in the firing line, one senses both the direct and indirect effects. The direct effect is that one has to attend receptions with the spouse, as well as other things, and one has to be a representative of the country, the nation and the party. Then there is the indirect effect that Bryndis is describing. When there is a lot going on, which always happens from time to time, it is associated with great stress and I think that quite often this affects the spouse more than the politician himself. One lives and breathes the issues which the spouse is involved in. One can only follow up from the distance during the day, and one follows the news the entire day. What is happening now? Will this be the stumbling point or will that be the stumbling point? It does not make it too easy to concentrate on one's own work.

Bryndis: And another thing, Ingibjorg. One is constantly on the defensive. I always have to be the spokesperson for Jon Baldvin wherever I go, in the store, on the bus...I feel I am being a spokesperson for the government.

Gudrun: I think that there would have to be a great change in Olafur's participation in politics for me to feel that I would have to give up my work. But I do admit that I cannot even compare being a representative in the minority in the Seltjarnarnes municipality and the representative for a political party on the Reykjavik City Council. It is not as if I do not envy Ingibjorg for having had the chance to try that because, of course, I want to be in charge.

Ingibjorg: I hope that you never get into that position.

Ingibjorg has a teasing expression on her face and Gudrun and Bryndis burst out laughing. Gudrun says, smiling: "We will see...I won one seat last time from the Independence Party."

Reporter: Would you like to see yourselves in your husbands' positions? The chairmen of the parties, minister of finance and prime minister?

Bryndis: I have good memories from the municipal elections campaign. I was really in my right element. I enjoyed it so much. But when I look at Jon Baldvin and see how he puts everything in his work, I realize that I do not have this ability. I could not do it! I mean that I have to do so many other things. I have a large family I want to take care of, not only children but parents and siblings as well. I could not close myself off from the daily life in order to immerse myself in politics. I could not do that. That is why I believe I have given up involvement in politics except indirectly. I can see that I am not prepared to devote myself totally to that. I think there are many people who do not realize what this is all about. Many people think that this is nothing but parties, money, cars and trips. I have not experienced any of these luxuries, only that I see my husband less often.

Gudrun: I simply think that a person holding the position of a chairman of a political party needs many talents I do not have. That is why I do not see myself in that role and I am not interested in it at all.

Ingibjorg: The same goes for me. I make great demands on the ability of those who serve in these positions, and that is the reason I do not think about them.

Reporter: By the way, don't you some times tell your husbands what to do when they have to make important, political decisions?

Roaring laughter can be heard and Bryndis says, laughing: Very often. Actually most often.

Gudrun: I definitely hope so.

Bryndis: That is to say in practical matters; matters that relate to the family and home.

Reporter: What...don't you often make joint decisions on national welfare?

The laughter takes a long time to die down and then Gudrun says in a serious manner: I think that it is unavoidable in political homes, in homes where people have any mental relationship, to discuss things.

Bryndis: We women are more down to earth than men, and we often have more connections with the environment than they do. We are in closer contact with the people on the street and we are therefore often able to give sound advice.

Ingibjorg: You must not say that.

Bryndis: Yes, this is true. I am always out and around, I meet many people and sense how the currents flow. Jon Baldvin hasn't the time for such luxury at this time.

Ingibjorg: Of course I never move in on Thorsteinn to influence him but obviously....

Bryndis: ...there are moments when Jon asks me: "What should I do. Which is right?"

Reporter: Have your husbands made political decisions with which you did not agree?

Gudrun: I don't remember any such incident.

Ingibjorg: No. I do not either. Of course, one is never 100 percent happy with one's closest relatives, may it be husband or children, but in general, I have always been in agreement with the political decisions Thorsteinn has made. In order to be able to judge whether the decisions are correct or not, one must, of course, put oneself in the position of the person who is making the decision.

Bryndis: When unpopular measures are being implemented in politics, I often feel so deeply for the people who suffer for it, and then we often argue. But most often, maybe because Jon believes in what he is doing and the fact that he thinks far ahead, he succeeds in convincing me that he is doing the right thing. That it is a necessary evil. We are experiencing horrible times in Iceland, it is a great period of changes.

Ingibjorg: Never been better off, just the same.

Gudrun: Never been better off?! The nation?!

And the ball started rolling. The representatives of the government parties, Bryndis and Ingibjorg, strongly defend the government's economic actions while the representative of the government opposition, Gudrun, says that the measures are worst for the people who have the lowest wages. The food tax is a necessary evil say Ingibjorg and Bryndis, but Gudrun protests. Bryndis throws out numerous figures, and it sounds just as if a minister of finance was speaking. Ingibjorg says that the standard of living in Iceland has never been better than now. Gudrun wants to legalize the minimum and maximum wages, and the others think that is an absurd idea. "It is the government's duty to equalize the income in the society," says Gudrun. "Certain differences in income are part of modern society. The fact that some people have high income does not mean that other people are losing as a result of that. Look at the Sugar Cubes [Icelandic rock group], for example; they are doing very well and nobody is losing anything from it," says Ingibjorg. "I think it is very difficult to prevent people from continually having high income. The other thing is true, however, that the wages of those who are less well off could be guaranteed satisfactory wages. The government is working on that," says Bryndis. "It is not doing it by freezing the wage agreement," says Gudrun. "But what did the People's Alliance do during 1979-83? That government froze the wage agreement 14 times!" [Ingibjorg]. "This is utter nonsense, Ingibjorg. You must understand the difference between index adjustments and the abolishment of democratic rights, such as the right to negotiate and the right to strike. Your government has abolished these rights." "Do you know that..." "Last year

was a record year..." "Yes, but it is the action of a government that is working on equalizing income..." "They are 3 billion short..." "Wednesday and the restaurant is full..."

The three women I am interviewing keep talking all at once, and they have raised their voices so much that the guests sitting close to us in the restaurant start looking at us furtively and listening. A polite and pleasant waiter gets no answer when he asks us if we would like more coffee. I decide to change the subject to some of the issues I expect they all could agree with to a certain extent, the Womens List.

Reporter: What explanation do you have for....

Ingibjorg: People must have the courage to make unpopular decisions, let something go. We have no need for men who just flow with the current!

Reporter: What explanation....

Gudrun: This was a wrong decision the government made, the wrong decision!

Bryndis: But the purse was empty; we spent more than we earned!!!!

Reporter: WHAT EXPLANATION DO YOU WANT TO (they are all startled) give for the increasing popularity of the Womens List in the recent months?

Gudrun: I think that this increased support for the Womens List is in part in accordance with what is happening in politics in many other places. People are looking for some new power. Look at the support for the Progressive Party in Norway, Le Pen in France and Glistrup in Denmark. This is definitely a change, however, it is difficult to analyze what causes it and how it will develop.

Ingibjorg: Yes, it seems to be the same story whether this new power is to the right or the left. In Denmark, the leftist party Faelles Kurs got 4 mandates last year and Glistrup lost support, but in the last elections, the party lost these mandates and Glistrup's party surges. Maybe the traditional political parties should be able to learn something from this, but this seems to be a weird development.

Gudrun: Undeniably, this development upsets the picture....

Ingibjorg: ...and it is hard to keep track of what this means.

Gudrun: Yes, time will tell what is actually happening. Of course, things will clear up somewhat in the next elections. Demands will be made on those who win at that time, whether the victors are called the Womens List or something else, to tackle the problems.

Bryndis: I was amazed that they refused the opportunity to be in the government in order to implement some of their ideas. In fact, I feel that was their duty.

Gudrun: Yes, I second that.

Ingibjorg: it is in many ways "easier" to be in the government opposition than in the government. Look at the Women's Candidates in Akureyri. They won a great election victory in 1982 and got the chairmanship of the municipal council in Akureyri, but they did not present any candidates after having been in charge for one electoral term. By doing that, were they saying that there was no need for women candidates any longer, or simply were they not able to handle the responsibility. But have you noticed that the media never hits on the Womens List? The media never asks: "What would you do in this position?"

Gudrun: They hit on them a little the other day on Stod 2 when Kristin Einarisdottir and Thorsteinn Palsson were being interviewed.

Ingibjorg: They have become so used to not being hit on that when it is actually done, they react harshly and say that they are being attacked in an unjust and dishonorable manner. This is, of course, horsefeathers. It is as if they do not realize that if the party is one of the largest political parties in the country, it must let its voters know about the party's position on all issues.

Gudrun: Aside from all that, a great portion of the nation supports the Womens List on these conditions. Maybe the nation does not want them to be touched. Let's think about that. I personally think that it is quite remarkable.

Ingibjorg: When a political power has become as large as the Womens List now is, we must make stronger demands than if it was not, in order to obtain clear lines on the party's policy. Is the party a right-wing party or is the party a left-wing party? The women in the Womens List say: "We do not want to be defined with respect to left or right. Nonetheless, their issues place them in a certain wing. But by refusing to identify with the left or the right, they are cheating people and asking the people to buy the pig in the poke.

Reporter: Don't you in any way welcome the emergence of the Womens List? Don't you think that it has changed the position of women in any way?

All: Yes....

Bryndis: The feminine element in society has at last been redeemed, the soft powers with hard interlacing. This is to the benefit of all women.

Gudrun: They have fought for many good issues and opened the eyes of people to various things in politics. Perhaps, however, their primary influence has been to

promote greater confidence among women in themselves, and also that they can see that they are just as able to handle responsibility as men.

Bryndis: I feel, however, that at the same time they have brought forth some bitterness in women, even hatred on the other sex.

Ingibjorg: To a certain extent, the women in the Womens List have brought forth the reaction among men to take the opposite side to women in politics. Maybe it is understandable. So, in the long run, I am not at all convinced that women gained from this effort or not. It is another matter altogether that the other parties have reacted by putting more women on their lists of candidates than before. We must not forget, however, that it is easier said than done for these old traditional political parties to reform their lists of candidates. There are men in every slot, and it is quite obvious that it is just as hard for young men as women to get to the highest steps on the ladder.

Bryndis: Those who have been involved in politics for years know very well that there has always been an attempt to get women to fill some of the top slots. But with very little results. Women have lacked the courage. I speak of my own experience. With the emergence of the Womens List, there has been a change of thinking. Now women ask themselves: "Why shouldn't I be able to do this just as the men can?"

Ingibjorg: That had begun earlier. In my party there was considerable movement among the women in 1978.

Bryndis: Oh, is that right? But I am quite convinced that by now, women feel it is their duty to say yes if they are asked to be on the list.

Gudrun: There is a great number of women on the municipal boards in the People's Alliance. But in the parliamentary seats, the men outnumber the women. We maintain so-called quota regulations, a certain ratio of women on boards and councils. This makes demands on women and opens up possibilities for them. I am not going to deny that it would have been better to see more women in the People's Alliance parliamentary seats. The seats are held by men and they will not be thrown out. But in time, when the seats get free, the development that has been taking place will lead to the fact that women will gain seats. And we must not forget one thing which has definitely played a great role in the change of thinking of women in power positions and that is the fact that we have a women president. A woman who performs her duties with excellence.

Ingibjorg: Yes, it is of great importance that our children see a woman in the highest power position, a woman who does her job as well as she has demonstrated.

Reporter: Do you see any signs indicating that your children are interested in entering politics?

Ingibjorg: My 12-year-old daughter said to me 2 years ago that she intended to become a lawyer and a prime minister. That was 2 years ago and she has not mentioned it again.

A burst of laughter. Ingibjorg continues: But another daughter who is 9-years-old declared this winter that when she grows up, she is going to marry a man in a *good* position, not a prime minister or any other politician.

We think this is no less funny but then Bryndis says seriously: I do not see any indication that my children intend to enter politics. Maybe they think this is a lousy business. People often hit on them because of us, really sock it to them, I think. People say to them everything they do not dare tell us the parents. Maybe they only get to know the bad side of politics, all the worst, and never experience the best.

Gudrun: Our girls, 12-year-old twins, are quite well up on politics. For example, they asked us quite a bit the other day about what devaluation is and how it affects people. I thought that they asked about many things, and in general, I feel that they follow what is happening in the world quite well. I also feel that they have opinions on the environment they live in here in Seltjarnarnes; they complain about too much construction and want open areas; they realize that whatever is happening in the society is because of decisions of some people. But they have already declared that they are not getting involved in politics.

Gudrun adds laughing: But the reason for this declaration might very well be that the line is always busy at home, the telephone is always being used.

Ingibjorg: Two of my older children follow everything very well. They read the papers and listen to the news. They have not stated anything about not entering politics.

Bryndis: My mother-in-law, Solveig, an intelligent woman, was always very much against her son getting involved in politics. She got to know the bad part through Hannibal, her husband [former politician]. He suffered terrible attacks at that time. I always laughed at her until now because now I know what she meant. And to tell the truth, I do not want my children to enter politics. Nor can I bear the thought that they would enter the acting world. I also know that world and there are many similarities in these two worlds. A merciless and cruel world.

Gudrun: Does Jon ever go out to the store, Bryndis?

Bryndis: No, almost never.

Gudrun: Does Thorsteinn ever go to the store, Ingibjorg?

Ingibjorg: He did all the shopping some years ago. That was when he had time to look at me during lunch. But in the last years he does not do it on regular basis. How about Olafur, does he shop?

Gudrun: Olafur does it whenever he possibly can.

Bryndis: I have four children and I have only sent them to the store if I had to. I want to do my own shopping.

Ingibjorg: When you say this, I realize that I do not send my kids to the store either. Most likely, one is taking something away from them. I remember when I had to walk a good distance to the store to buy milk that was poured into the milk container and a fillet of cod for 6 kroner. This had its own charm. It also increases the sense of responsibility.

Bryndis: Nor have I had my kids cook because I do not want to differentiate between the sexes....

Gudrun: You wouldn't have to do that. You probably betray your son's future wife by doing this.

Bryndis: And my daughters' husbands as well. My daughter was living with a young man for a while this winter and he did all the cooking. I really don't feel like going through asking them to do it. I do it faster myself. Maybe this is wrong. I do not want to be involved in arguing with the people I live with. I have always run my household without expecting anything from others.

Gudrun: Doesn't Jon Baldvin want to be a part of running the household?

Bryndis: No, he is relieved beyond words not to be involved, and that is fine. I must be in charge of something! He comes home to relax, and there is not too much time for that. His mind is always on the job. That is number one, two and three. He feels that is the greatest thing on earth, whether the work is teaching, editorial work or parliamentary work.

Gudrun: Some people would say that this is terrible egoism.

Bryndis: Oh yes, but he is not an egoist in spite of that.

Ingibjorg: You must not let him get away with this.

Gudrun: You do not do him any favors by doing this.

Bryndis: Oh, well. Maybe the reason is that I am terribly governing by mature. The difference between me and Jon is that I am the oldest of seven and he is the youngest of five. I was in charge of the group while he was his mother's little baby.

Gudrun: I think it would be good for you to discuss your problems with him, what you are doing and so on.

Bryndis: During better moments when we have a drink and relax, we talk a lot about me and discuss my matters.

Gudrun: Yes, it should be like that on daily basis. You are not doing any person a favor by sparing him or her in this way. I think Jon would just become a better politician for it.

Bryndis: Problems are mostly created in one's own mind. But I must add that Jon is the best of listeners and knows how to give good advice. But one does not abuse such things; I just try to solve my problems myself.

Ingibjorg: How is this with you Gudrun. You indicate that this is different between you and Olafur?

Gudrun: I think we are extremely equal when it comes to this. Actually, I discuss everything with Olafur. We spend much time together when are able to, and I think there are very few things I do not discuss with him. And he takes just as much care of the house and the girls as I do. Nor would I let him get away with not knowing exactly what I am doing, especially if it concerns the home.

Bryndis: My children look much rather to their father than to me if they need advice. I am the one who is in charge of the home but they go to him...

Ingibjorg: ...if they have to ask for something.

Bryndis: No, he is a good listener and understands their problems.

Ingibjorg: But you enjoy the fact that Olafur is not yet a minister.

Gudrun: Yes, and yet I do not think that our life would change much.

Bryndis: But nonetheless, Olafur is very busy and travels abroad a lot, right?

Gudrun: Oh yes, and I work a lot myself, but we counter that by utilizing the time we have together very well.

Ingibjorg: I say the same as Gudrun. I and Thorsteinn utilize our time together very well, as well as our time together with the children. Our best moments are when the family is together out in the nature; looks at the television together or works together in our summer-house.

Bryndis: There is another thing that is definitely quite common among politicians. The private life becomes so limited; there is no time to associate with other people. I and Jon Baldvin associate with very few people. There is no time. We stay together just the two of us. But you must not misunderstand me when I say that I am not

airing my problems with Jon. I primarily refer to practical, daily matters. The other day I took down one wall in the living room, and when he came home he simply asked: "Where is the wall, Bryndis dear?"

They all burst out laughing and Ingibjorg says laughing: "At least he noticed...."

Bryndis: As the entire nation knows, my husband is totally against all unnecessary investments which means that if I go to him for advice, I would never go anywhere nor do anything that costs money. My only solution is to implement it myself, pay the bill and inform my husband after the fact. This has worked out very well for me, and he is generally extremely pleased with everything I do. The fact is that Jon Baldvin is the most miserly man on this earth.

Bryndis says this with a glint in her eye, and we all laugh.

Ingibjorg: This is how ministers of finance should be.

Reporter: Bryndis and Ingibjorg, you say that the stress is great on your home life because of all the work your husbands must do. And Olafur is away from the home quite often because of his travels. Don't you ever think: I hope this is just a temporary situation?

Bryndis: In politics, you never know what tomorrow will bring. That is what makes this life so exciting. There is no security in your existence and that is what gives life its value, this damn lack of security. I do not want any security.

Ingibjorg: If one starts wondering whether this will soon come to an end, it means that one has become bored. It makes no difference what type of work you are doing, as soon as you get bored, you should quit, for your own sake and the sake of others. I have not reached this stage yet, to think like this, despite many difficult moments.

Gudrun: Sometimes I wonder about this strength we have. One is always prepared to tackle new and new tasks, new and new challenges.

Bryndis: You can say that Bubba's [Gudrun] position is quite different from mine and Ingibjorg's. I and Ingibjorg grew with our husbands from a young age but Bubba, you and Olafur did not start going together until you were in your thirties. That must have been an effort. How was it?

Gudrun: I thought it was fantastic fun.

Gudrun laughs and continues: One of the greatest things I ever experienced.

Bryndis: You had not been saturated with politics, and suddenly you are in the middle of political fluctuations....

Gudrun: I felt that this whole thing was exciting, I admit that.

Ingibjorg: There are auras around these men in which we are pulled.

Bryndis: Yes, and I want to add that all our husbands are from the western part of the country. This is how they are in the west, totally crazy and fantastically charming.

Gudrun and Ingibjorg burst out laughing and do not make any comments as to whether this description applies to their husbands.

Reporter: Aren't you sometimes tired of having to go with your husbands to parties and always to be nice and proper?

Ingibjorg: No, the development has been that I do not go with Thorsteinn as often as I am supposed to. The times are changing, and people must recognize that and allow us to be ourselves, and not just our husbands' wives. I work myself, I run a law office, I have young children and I have many hobbies besides.

Gudrun: I think it is a matter of course that one tries to go to parties with one's husband. Both because of the pleasure and to keep him company. But I think that this feeling of duty has no basis.

Bryndis: My problem is that I simply love partying. But when it becomes daily routine, then the fun is gone.

Reporter: Ingibjorg, would you have continued to a higher level in politics if your husband had not done it? Has his progress been a hindrance to your quest for further progress in politics?

Ingibjorg: I do not live by the if-concept. My ambition has always been to be a good lawyer. On the other hand, I participate a lot in politics as my husband's wife. I do not see that to be active in municipal affairs or have a seat in the Althing is the only way to be active in politics. Maybe I will get involved in politics again, maybe not. Maybe I will end up as a justice on the Supreme Court. Who knows. Time will tell.

Reporter: Gudrun, How do you see your political future?

Gudrun: I am very much involved in politics, live it and breathe it. On the other hand, my ambition is not to go any further than I already have. Nor do I think that I will remain on the municipal board much longer. When this electoral term is over, I will have been on the board for 12 years. That is sufficient. I will, of course, continue to be involved in politics, although it is not going to be on either the municipal board or in the Althing.

Reporter: Bryndis?

Bryndis: Life is so full of coincidences, one should never say never. But I think just the same that my talents are in other areas. I am 50 years old and I still have not decided what to do when I grow up.

"Maybe we could form a government together," says Ingibjorg to the others as we get ready to leave. "I would suggest you to be in charge of the Finance Ministry, you are so determined," says Bryndis to Ingibjorg, but Gudrun answers quickly: "Maybe you would be better there, Bryndis, you are so thrifty." And they laugh.

Outside the Cafe Opera, a large, dark car and a chauffeur are waiting. When Ingibjorg approaches, the chauffeur jumps out of the car and opens the door for her. The others walk toward their own cars. A man can be heard whistling at a women and all the young girls on the street look around, some timidly, others angrily. But the whistling was not intended for them, because in the wake of that, a slurred male voice can be heard yelling: Bryndis, Bryndiis....

09583

CYPRUS

Official Admits Troubled Situation in National Guard

35210147 Nicosia O FILELEVETHEROS in Greek
30 Jul 88 pp 1, 8

[Excerpt] Minister of Defense Andreas Alonevtis yesterday confirmed in his report to the House of Representatives' Defense Committee that there have been cases of weapons and ammunition being stolen from National Guard camps; several of these are most probably connected to organized criminal groups. The Ministry of Defense made related charges on these matters to the police and, in fact, provided names of citizens who are possibly connected to the thefts, but its investigations have had no results thus far.

Alonevtis also admitted that National Guard officers are preferentially posting and transferring national guardsmen in order to help their own people.

In addition, the minister called the drug situation pretty serious. There is information that at specific locations mainly frequented by young people, including national guardsmen, drugs are being used.

The same thing is happening in camps where Greek soldiers are serving.

The Committee Session

Yesterday, the minister of defense came to a special session of the House's Defense Committee which met to examine the following serious matters:

1. The thefts of weapons from National Guard camps.
2. The use of drugs by national guardsmen.
3. The preferential postings of national guardsmen.

Referring to the first issue, Alonevtis acknowledged that thefts of weapons from the National Guard are being discovered from time to time.

Aside from the pistols at the Mathiatis camp, two anti-tank weapons were stolen during the preelectoral period—also from a camp near Nicosia. These anti-tank weapons were launchers with their shells.

In addition, explosives and handgrenades were recently stolen from other camps. The Ministry of Defense is preparing a complete list of the armament which has been stolen which it will bring to the House. As concerns the pistols stolen from Mathiatis, the investigations led to certain citizens whose names have been given to the police.

It appears, however, that the case has again become cloudy and no arrests have been made yet.

After all this, the Ministry of Defense has, as a first step, increased the security and inspection measures for weapons storehouses. At the same time, however, it was made known that in cases of thefts in the future, the officers in charge will be held responsible, with severe punishments.

Alonevtis said that the RPG found in Kakoratzia are not connected to the National Guard.

9247

FEDERAL REPUBLIC OF GERMANY

FGR's Ruhl Discusses NATO, Warsaw Pact Doctrines

25000254z Budapest MAGYAR HIRLAP in Hungarian
2 Sep 88 p 2

[Interview with FGR Deputy National Defense Minister Lothar Ruhl by Katalin Karcagi: "Military Doctrines Can Be Compared on the Basis of Specifics"; date and place not given]

[Text] Yesterday and the day before this newspaper familiarized its readers with the Soviet and the American viewpoints on comparisons of conventional armaments and armed forces and the opportunities for and obstacles to arms reduction. FGR Deputy National Defense Minister Lothar Ruhl took part at the Budapest international round-table discussion concerning conventional disarmament. We interviewed the West German military policymaker.

[Question] Many American and even West German politicians had reservations concerning the ratification of the agreement which calls for the destruction of medium-range missiles (INF). They stressed the point that nuclear disarmament will be necessarily followed by conventional armament, otherwise the security of Western nations would be endangered. What is your view of this issue?

[Answer] We have no means to bring about conventional armament, we do not even intend to arm ourselves with conventional armaments. At issue was—and continues to be—the improvement of our traditional defense capability. We wish to correct shortcomings in our defense structure. We do not intend to replace disarmed nuclear weapons with conventional ones, but it is our goal to bring about European stability, Europe's traditional ability to defend itself as independently as possible from constraints created by possible international crises which would prematurely require the use of nuclear weapons. Although we do not wish to fully divorce European defenses from nuclear weapons—we would not accept such a condition even if it came about as a result of an agreement—we wish to avoid a situation in which we must fully rely on the deterrent effects of nuclear weapons.

[Question] Considering the breakthrough in the nuclear field, it becomes even more apparent that no substantial progress was made in negotiations concerning conventional weapons. How do you explain this situation? With the more complex character of the problem?

[Answer] It is simple, or rather, more simple to negotiate over a perceivable number of rockets and airplanes which may also be used as nuclear or atomic weapons. The larger these nuclear weapons, launch sites, and installations, the easier it is to detect them and to control them. Accordingly, by virtue of the subject matter, nuclear arms limitation renders itself an easier subject to negotiate than conventional weapons where the issue revolves around armored divisions, composite military organizational structures and weapons systems of varying magnitude. Ground armaments can be disguised more easily. And further, there would be a need to agree upon the basis to serve for comparison, and on the conditions for calculations. Already within the INF agreement there were a lot of problems with airplanes. Defining categories is now becoming even more complicated. For example, how do we define an attack armored vehicle, and how do we distinguish it from an armored vehicle which serves defensive purposes? Which weapons should be classified as artillery, and how should we compare these? How should we treat airplanes? Which airplane serves attack purposes, and which ones are of a defensive character? How should one view airplanes which have a dual character? Based on their equipment and the training of their crews, they could be used both for the defense of airspace as well as for attack purposes. What principles should guide us in implementing an asymmetric reduction of our armed forces? Having said all this I must say that some progress has been made in discussions between Warsaw Pact and NATO countries toward defining a mandate for disarmament negotiations. Last 14 December we agreed on the common goals of averting the danger stemming from attacks spanning large areas and surprise attacks, and achieving identical levels in terms of troop strength. These, of course, are general objectives; they are not specific starting points for negotiation, but I am certain that we will agree with respect to a mandate soon—this year.

[Question] Warsaw Pact nations proposed that the negotiation agenda include an item which calls for the discontinuation of inequalities in strength between the two groupings. Why did NATO have reservations about this offer?

[Answer] First of all I should point out that by making this offer, the Warsaw Pact responded to a longstanding proposal advanced by NATO. Our aim is to establish identical levels of armed forces, troop levels, weapons systems which govern the battlefield, battle tanks and defense tanks and, artillery. The Warsaw Pact wants to discuss simultaneously weapons which have nuclear applications as well as fighter airplanes. We do not rule out negotiations concerning fighter airplanes, nevertheless we say that those should take place in a subsequent phase of negotiations. And further, we have certain

reservations concerning this proposal because contrary to what the Warsaw Pact states, NATO does not enjoy great superiority with respect to fighter airplanes. To the contrary. Our calculations show that the Warsaw Pact has somewhat more fighter airplanes. And insofar as the inclusion of weapons systems which could be equipped to deliver nuclear charges are concerned, we are prepared to include artillery as a whole as part of the negotiations, including equipment which is also capable of launching nuclear grenades. But as I said, this should take place in the next round of negotiations. As long as we do not deal with conventional weapons—which we envision as the main threat to European stability—we should not negotiate on new nuclear weapons either. The negotiations should lead to a point where the disproportions are done away with, so that the Warsaw Pact dismantles its forces and tanks more vigorously.

[Question] Warsaw Pact member nations also recommended that the two military groupings debate over the offensive versus defensive character of the doctrines that underlie the two military groupings. Do you find any merit to this suggestion?

[Answer] We are prepared to compare doctrines, but not in the abstract. Such a comparison should be based on the structure, deployment, and capacity of military forces. In the sense that this term is used in socialist countries, NATO has no military doctrine. Using the Soviet example, East European countries defined a doctrine which has a so-called sociopolitical side as well as a military technology aspect. We do not have an aggregate [view of] socio-political, ideological, and military-philosophical principles. What we have are operative principles of deployment, and of course, a strategic conception. And further, every plan for deployment has both offensive and deterrent elements. And if we argue about which elements are offensive, and which ones are defensive—this will be like arguing about the gender of angels.

[Question] If we consider balanced security as the important factor on the European Continent, do you feel that withdrawal of foreign troops would contribute to the accomplishment of balanced security?

[Answer] We envision the reduction of troops only in terms of a percentage of the total number of troops. But we must also consider that five American divisions are stationed in the FRG for instance, while in contrast, 19 Soviet divisions are stationed in the GDR. Accordingly, we cannot say that both sides should withdraw five divisions.

[Question] And would you agree to the idea of withdrawing all troops stationed abroad?

[Answer] No, we would not. In the FRG we need the presence of the Allied forces, so we can defend our entire territory comprehensively. We would not be able to provide such defense by using West German forces only.

**Ruehe Urges 'Multiphase' Conventional
Disarmament Negotiation**

36200219 Frankfurt/Main FRANKFURTER
ALLGEMEINE ZEITUNG in German 6 Sep 88 p 2

[Article by C.G.: "Ruehe: NATO Must Take the Offensive: CDU Politician Calls for Western Proposals on Disarmament"]

[Text] Bonn, 5 Sep—The foreign policy expert of the CDU, Ruehe, has called on NATO to begin a "realistic offensive" against the suggestions of the Soviet party chief Gorbachev with "bold proposals" on conventional disarmament. Negotiations would also take place by way of influencing public opinion; the West must not thereby leave matters to the Warsaw Pact and continually say merely that the thrusts from the East will be "examined." In the last 2 years, the West has primarily been negotiating with itself; a weakness therein is that there is still no Western proposal for negotiations with the Warsaw Pact. On Monday in Bonn, Ruehe said that it is no use merely to recite the formula that the conventional disarmament must take place asymmetrically, so that the East must disarm more because it has more weapons in this area. At a meeting in Budapest in which generals, scientists and politicians invited by a New York Institute for Security Policy Studies dealt with conventional disarmament, it became apparent that numerous difficulties are to be expected in the negotiations. It is therefore to be recommended that future East-West talks not deal with "the entire material at once" but that they proceed gradually.

Despite the desired asymmetry, a NATO proposal must also foresee sacrifices by the West so that the East cannot immediately reject it, said Ruehe. Initially the negotiations must deal with tanks, artillery and armored vehicles, because these weapon systems are suitable for an invasion. Aircraft should not be talked about until later; to be sure, one can destroy a country with aircraft but not occupy it. The notion of an invasion capability is therefore not so easily valid for aircraft. The mobility of aircraft makes the negotiations more difficult with respect to geographically limited areas.

Ruehe proposed dividing a Western concept into three stages. In a first step, agreement should be reached on identical upper limits for tanks below the current Western inventory. Ruehe characterized a reduction to 15,000 tanks on each side in the European "central region" as desirable for East and West. Accordingly, the Warsaw Pact would have to eliminate 20,000 tanks and NATO 2,000. The "central region" takes in the area from Great Britain and Portugal to the internal German border in the West and the territory from the internal German border to the Urals in the East. In a second step, half of the remaining tanks on each side would be stored in depots monitored by the other side, so that on each side only 7,500 tanks would be assigned to the active formations. In a third step, a formula is to be found that would change the ratio between domestic forces and allied stationed forces. The systems of the

stationing powers should not make up more than 50 percent of the armed forces, said Ruehe. That will result in substantial reductions of the Soviet tank forces—in the GDR, for example.

Ruehe said that his proposal presented in Budapest goes further than the concept of the Federal Government, which is now up for discussion in NATO. But it is more important that the West take the initiative than for NATO ultimately to reach agreement merely on the least common denominator. The deputy chairman of the CDU/CSU parliamentary group said that there should be further negotiations on nuclear weapons when the "first tangible results of conventional negotiations" are achieved. The West must also define a minimum of nuclear weapons needed in the future, whereby reductions would be possible above all in the systems with the shortest ranges. But the remaining minimum would also have to be kept at an up-to-date technical level. Bonn will not be able to avoid such a modernization. The SPD [he said] is behaving "unfit for the alliance" and is losing any latitude for conventional disarmament when it wants to renounce nuclear deterrence completely.

In Hungary, Ruehe visited a village in which one-fourth of the inhabitants are German. There is a German kindergarden and religious services in German [are held] there, said Ruehe. In its treatment of national minorities, Hungary is setting an example for Poland and Romania. At the Vienna Conference on Security and Cooperation in Europe and in the United Nations, Ruehe proposed, Bonn's foreign policy together with Hungary should find "frank words" for "Ceausescu's bulldozer policy," with which Romania is infringing upon the established form of the country to the detriment of the German and Hungarian minorities.

After a trip of several CDU representatives of parliament, Ruehe also expressed himself on human rights in Chile. The situation has improved there: emigrants could return, death sentences have been reversed, and an election under clearly correct circumstances is slated for October. "We should concern ourselves with Chile not only when things are going badly there; we should also acknowledge good reports," said Ruehe. Whoever wants to help Chile must help the country make progress on the way to democracy; delegations from parliament and the parties should make more trips to Chile and in this way establish "protection for human rights."

9746

GREECE

**Bases Agreement's Denunciation Seen Hurting
National Interests**

35210143b Athens I KATHIMERINI in Greek
7 Aug 88 p 1

[Article by I KATHIMERINI correspondent in Washington Alexis Papakhelas]

[Text] Washington (from our correspondent, Alexis Papakhelas)—For U.S. analysts, the future of the U.S.

bases became linked with the Greek pre-electoral campaign last Wednesday. The announcement of the government spokesman, Sotiris Kostopoulos, with which Washington was notified that the talks will be terminated when Ellinikon closes, caused not only surprise but also nervousness in Washington.

As had been written in I KATHIMERINI last Sunday, the U.S. services already estimate that Papandreou will keep on toughening his rhetoric against the United States for reasons of internal consumption.

The fact is, as U.S. diplomats also observe, that, after Kostopoulos' announcement, the Papandreou government has no real room for compromises on the Ellinikon issue. The Pentagon leadership continues to insist that this base must be maintained and charges that the State Department "is ready to sacrifice Ellinikon without at least tough negotiating."

The episode last week has, at any rate, strengthened the position of U.S. officials and members of Congress who maintain that Washington cannot negotiate seriously with the present Greek government. These circles (indicative of their stance were the tragicomic things said in the Senate subcommittee last Thursday) seek:

1. A moratorium on Greek-U.S. relations and the bases talks.
2. A refutation of what has been agreed upon ad referendum in the first rounds for the preface of the agreement.
3. An escalation of pressures for a new agreement to be signed before December 1988.

In coming weeks, while the political leadership will be concentrating its attention on the preelectoral campaign, Washington's bureaucracy will devote itself to a tug-of-war which will prove to be determinative for Greek interests as it will indicate the prevailing inclination for maneuvers vis-a-vis Athens. Once again, the Greek image has suffered a blow not from its "legitimate" demands or positions, but from the style of its maneuvers and statements in the sector of Greek-U.S. relations.

9247

PORTUGAL

Comments on Perceived 'Corsair' Aircraft Problems

'Scandal' Exposed

35420115 Lisbon TAL & QUAL in Portuguese
15 Jul 88 pp 10-11

[Article by Alcides Vieira: "Like Feeding Sponge Cake to a Donkey"; first three paragraphs are TAL & QUAL introduction]

[Text] It would even appear that someone had called down curses upon them! Of the 50 aircraft, 9 have already

crashed; and of the remaining 41, only half a dozen are in condition to fly. Not since they came from the United States to the Portuguese Air Force at the instance of Gen Lemos Ferreira have the Corsair A-7P's been in a good state of repair. Several months ago something went wrong with the engines—something so serious that the entire fleet had to be grounded for repairs. Not a single one was flying! In recent weeks, six of them were finally able to put in an appearance; but the rest are still parked at the repair shops waiting for a miracle to happen. The stock of spare parts has run out, and the lack of money to buy new components is such that it has already become standard practice to cannibalize the aircraft: that is to say, remove parts from an A-7 to put them into another A-7 so that at least one of them will be able to fly.

Nine years after the 50 planes were purchased (for approximately 40 million contos) and despite all these troubles, the chiefs of the Air Force are not "striking camp." In an interview granted to TAL & QUAL, the CEMFA [Air Force Chief of Staff], Gen Brochado de Miranda, declared that the Corsairs are "proven to be safe." Moreover, he maintains that it was a good deal for Portugal. Do you think so?

Nine years ago, at the instance of its supreme commander, Gen Lemos Ferreira, the Portuguese Air Force (FAP) got itself into a fix from which it will not be able to extricate itself within the near future. It spent a fortune to purchase 50 second-hand aircraft almost all of which are currently grounded because there is no money to repair them. The controversial Corsair A-7P's were acquired at that time for approximately 40 million contos—from an American company that was on the verge of bankruptcy—and they are today virtually not operational. It is like feeding sponge cake to a donkey, for a military establishment that is also having to cope with budgetary cuts.

Of a total of 50 planes purchased by the FAP from the Vought Corporation of Dallas, 9 have already been lost in accidents that occurred during the last 3 years (see box). But of the 41 aircraft that make up the remainder of the Corsair fleet, only half a dozen are in condition to fly safely. Three months ago, in fact, the entire fleet of A-7P's had to be grounded because of serious problems with the engines; and until the six aircraft which at the present moment are operational were repaired, the FPA had to rely on the old Fiats from the war in Africa to carry out the regular "air alert" missions (defense of the national air space, and missions within the framework of NATO).

The Corsairs collected all the "boxes" last April, after discovery of a type of damage that threatened the safety of the entire fleet. According to information obtained by TAL & QUAL from Air Force sources, the planes had a defect in the fuel injectors that was discovered when the combustion chamber of one aircraft fractured, endangering the normal performance of the turbine and engine. As a precautionary measure, the FAP ordered all those planes that were operational—a little more than half of

the surviving portion of the fleet—to be brought into the repair shops. Even before the anomaly of the injectors was discovered, however, the remaining aircraft had been grounded for major maintenance work at the General Repair Shops for Aviation Equipment (OGMA) in Alverca.

As the Air Force itself confirmed to TAL & QUAL, the engines of these aircraft are now being subjected to dismantling, inspection, tests and alterations, with a view to relocating the injectors so that they will not continue to fracture the combustion chambers. These tasks require many hours of highly skilled technical labor, and it is anticipated that most of the A-7P's will not be operational again within the near future.

But this "exceptional situation" (as the FAP calls it) is not the biggest problem for the Corsairs. The really difficult thing is the lack of spare parts, the supply of which ran out (the FAP declares that for lack of funds, the equipment depots were not properly supplied at the time the aircraft were purchased, and its budget is too limited to allow for the acquisition of new equipment).

And just as occurs in any country of the Third World, even here the choice has been for the easiest solution: get some planes in the air at the expense of the others, be restoring to the cannibalization—so-called—of the aircraft. "Cannibalizing" means removing parts and equipment from one A-7 to put them into another A-7. It is like having two old cars and using the parts from one of them to put the other in operating condition. Although the owner does in fact have two cars, one of the cars is gradually being reduced to the chassis. Although cannibalization has not been recommended—because, according to the FAP itself, of "the manpower it consumes and the premature wear it causes in the components"—it is true that "the very limited stocks of spare parts make it necessary sometimes to cannibalize."

It will be recalled that as TAL & QUAL disclosed in 1984, these aircraft consist of old A-7A fuselages, some of which are already 20 years old and saw service in the Vietnam War. The Vought corporation recycled them and incorporated more modern components—such as flight and firing systems—in an attempt to adapt them to tasks for which they were not structurally designed. The sale of the aircraft to the FAP was a transaction which (as TAL & QUAL disclosed 4 years ago) helped to rescue that American company from the serious financial crisis in which it found itself.

Nine years after Lemos Ferreira acquired these aircraft, it is not just the sum total of the funds spent on the purchase—and subsequent maintenance—of the planes that is being challenged. The question that TAL & QUAL raised at that time is again being raised today, with even greater relevance: "After all, of what use have the A-7P's of the Air Force been? The answer is to be found in the official complaints themselves of the military chiefs, who continually put the blame on the meager budgets allocated to them,

seeking thereby to justify the lack of surveillance over the vast Portuguese Exclusive Economic Zone and the lack of credibility of the existing means of defense of the national air space. The Corsair A-7P's can do little or nothing in the area of maritime surveillance. Even if they were all airworthy (which is far from being the case), they have only one engine and cannot stray far from the coast. They fly at speeds on the order of 900 km per hour, and it is dangerous to descend to altitudes that would permit the pilot to discover whether some suspicious small boat navigating below them has cast its nets. The principal function of the A-7's should indeed be the defense of the nation's air space, but they are fighter bombers and therefore have attack characteristics. Moreover, in their present condition and in peacetime, whom are they going to attack? It would be interesting to see how many of them would be in a condition to take on an enemy who announced today that there would be an invasion tomorrow.

Alleged Anti-Air Force Campaign

*35420115 Lisbon O DIABO in Portuguese
19 Jul 88 p 11*

[Report: "Campaign Against the Air Force Challenges the National Interest"]

[Text] Whether dredged up from the archives or from the garbage can, here you have once again a "war" against the A-7P Corsairs, which have been transformed into weapons in a combat that is not innocent, for it occurs at a time when the Air Force is seeking to reequip itself; when the two operational Portuguese Air Force NATO bases (Monte Real and Montijo) are under attack; and when efficient units (Commandos and Mixed Brigade) are the target of criticism. It is too much of a coincidence. Although the weakness of the arguments put forward suggest that there is a lot of stupidity involved, when you realize that all this is occurring at a time when Spain is making no effort to hide its ambition to control the entire air space of the peninsula, and at a time when the NATO structures are one of the KGB's priority targets, you can surmise that this fanfare may conceal aims that are in no way either innocent or stupid. The arguments start by citing the fact that nine of the 50 A-7P's have crashed, and most of the remainder are grounded for lack of spare parts. It follows therefore that the Corsairs are no good and that it was a bad deal. Because they were acquired at a time when Gen Lemos Ferreira was Air Force Chief of Staff, it is he—the present chief of the Armed Forces General Staff—who is being challenged. Moreover, the day is drawing near when it must be decided whether Lemos Ferreira will remain in command of the Portuguese Armed Forces for 2 more years or whether he will not receive an extension of his tenure of office.

In pursuing this line of reasoning, some elementary facts have been overlooked. Of the nine accidents with the Corsairs, only one can be attributed to equipment failure; the budgetary restrictions placed on the Armed

Forces have made it unfeasible to purchase spare parts for replacement or repairs; the budgetary restrictions have compelled drastic reductions in the flying time of the Portuguese pilots, which is currently below safety standards; and apples have been confused with oranges, in that fighter-bombers are even being assigned to the antisubmarine campaign, supposedly to patrol the maritime zone.

Concerted Attacks

Consider that the Portuguese Air Force has two operational bases integrated into the NATO system: Monte Real and Montijo. At Monte Real, where the Corsairs are based, problems have also arisen with respect to the "risks" incurred by the local residents because of the presence of aircraft that have the "bad habit" of crashing. A controversy has also arisen at Monte Real over the issue of adapting the base for use as a civilian airport.

The Fiats are based at Montijo. The crash of an aircraft on that city was the pretext for unleashing protest against the presence of the base. Overlooked was the fact that urbanization has spread in an anarchic manner and in an inappropriate direction.

These "attacks" have also been accompanied by protests against the Alcochete target range, which is scheduled to be enlarged and relocated away from the bird species protection area—protests which fail to realize that enlarging the range will minimize the present effects on the ecological system (whose protection is the announced goal).

This barrage of fire concentrated on the Air Force cannot be innocent. The targets are too precise for these occurrences to be overlooked.

An Opportunity for Portugal

The Spaniards have cited Portuguese difficulties in providing for the defense of this flank of the Atlantic as a pretext to claim control over this entire air space for Madrid. Spain is true to form in claiming hegemony over the area; Portugal will be true to form in refusing to grant it, for it is defending its own national interests: defending its sovereignty and independence. We Portuguese should support this effort.

The current disinformation campaign is to Spain's advantage—and to the advantage of those who do not like NATO. Spain, it will be noted, made the United States withdraw the F-16's based in that neighboring country. The F-16's will be transferred to Italy, and Portugal has the opportunity to equip itself with this type of aircraft, which have long been desired by our Air Force.

Moreover, at the time the Corsairs were purchased, they were said to be intended for use as "aircraft for the transition to the F-16's and for the training of pilots and

maintenance technicians. However, it is common knowledge that when you begin the process of purchasing aircraft, many interests are aroused—a circumstance that sheds some additional light on this belated campaign against the Corsairs.

No one will be astonished that some "journalists" have unearthed from the archives the story of the reservations that the F-16's merited a dozen years ago, when as "victims of an epidemic" they began to crash with some frequency. At the present time, people are apt to forget that the deficiencies detected at that time were corrected and that the F-16's are today among the best interceptor aircraft.

10992/7310

SWEDEN

Many Reports of Submarine Sightings Over Summer

Intruding Submarine Believed Damaged

36500165a Stockholm DAGENS NYHETER in Swedish
24 Aug 88 p 16

[Article by Anders Ohman]

[Text] The Armed Forces have received several reports of suspected submarine intrusions into Swedish waters over the summer months. Vastervik was on alert for 14 days following several reports of suspected submarine activity.

Since the extensive submarine hunt in the waters around Oxelosund in early June, things have apparently been quiet as far as submarine activity is concerned.

H.G. Wessberg, the Defense Staff's information officer, told DAGENS NYHETER: "It is too early to say whether the intensity of foreign submarine activity against Sweden has changed in any direction."

A judgment of that kind may be possible at the end of the year, when all the submarine reports have been analyzed and evaluated.

Since 10 June, when OB [Supreme Commander of the Armed Forces] Bengt Gustafsson stated positively that Sweden had been subjected to an intrusion, there has been silence from the Defense Staff. The Military Council's silence also has to do with the new information policy adopted by the OB. To put it briefly, the Defense Staff is saying nothing about any antisubmarine activity that does not involve armed action. The former quarterly reports, which presented a compilation of all suspected sightings during the period in question, are to be replaced with one all-inclusive annual report. The OB may choose to make any incident public, but the information to be provided in such a case is not governed by any rigid military rules.

An attention-getting contribution to the submarine debate was made by Commander Hans von Hofsten on DAGENS NYHETER's Op Ed page last summer when he said approvingly that the Navy had become better at hunting submarines. The intelligence service has become more effective, with the result that the Navy can know ahead of time when intruding submarines are going to show up.

We Know More

The Defense Staff is a little more cautious in its judgment.

H.G. Wessberg says: "We know more about the systems we have working against us."

Mine countermeasures vessels, coastal corvettes, fixed surveillance systems, and so on have considerably increased the Navy's search capability. Personnel efficiency has improved. It takes 5 years to train a sonar operator. The Coastal Fleet now has more skilled sonar operators, and they have increased the antisubmarine defense force's tactical capability.

One question not yet answered is whether the massive armed action at the Gustaf Dalen lighthouse in Swedish territorial waters in early June may have frightened off intruding submarines.

The Defense Staff is convinced that a submarine was damaged by the massive attack with depth charges. The effect of the detonating depth charges has been calculated.

H.G. Wessberg says: "We came quite close to the target. The depth charges gave the submarine a good shaking."

The tracks on the sea floor have been verified with hydrophones and underwater cameras carried on the remote-controlled vessel Sjouggan. The great depth of water made it difficult for divers to further verify the tracks. No objects from a damaged submarine have been found.

Submarine sightings by the public may sound credible when reported. But another sighting made at the same time can quickly reduce their credibility. In the southern archipelago near Nynashamn last July, two sailboarders saw a silhouette resembling a submarine sail. The Defense Staff learned later that a motorboat had been passing through the area at the same time and that its skipper had seen two sailboarders. The silhouette of the boat could have been mistaken for a submarine sail. The Defense Staff is reluctant to make doubtful submarine sightings public.

Report Everything

"We want the public to continue reporting anything suspicious and not to be discouraged if it turns out to be a false sighting," says H.G. Wessberg.

The Defense Staff has reacted hardly at all to the submarine study by the American researcher, Gordon McCormick, in which he stated in critical terms that the Swedish Government and the military had deliberately allowed foreign submarines to get away.

H.G. Wessberg says: "After every submarine hunt during the 1980's, that dagger thrust of a myth has popped up whenever we have failed to bring a submarine to the surface. Those rumors are the price we have to pay. Nothing new has emerged in those myths."

Doubts About Response Policy

36500165a Stockholm DAGENS NYHETER in Swedish
28 Aug 88 p 2

[Commentary by Olof Santesson: "Sub Hunt by 'Every Means' Makes No Impression in Some Quarters"]

[Text] The casting of suspicion of Swedish submarine searches keeps recurring until one is almost sick of it. How much is the truth, or at least consists of reasonably understandable and substantiated judgments, and how much is pure speculation?

The traffic—at least the traffic in rumors—is something that we will probably have to learn to live with. And genuinely convincing answers are something that a Swedish Government obviously has trouble coming up with—at least as long as those answers take the form of oral or written opinions as to what the real situation is.

Generally speaking, things have been so quiet on the submarine front over the past 2 months that one can easily forget how things looked at the beginning of June.

Back then, the Armed Forces were taking armed action, particularly at the Gustaf Dalen lighthouse, against what was thought to be an intruder. The military action at the time was in the same class as that in Hars Bay in 1982 and Karlskrona in 1984. The OB skipped the advance warning stage and authorized fire for effect in keeping with the new principle of "shoot first and ask questions later."

That activity should be viewed against the background of the fact that the Swedish Armed Forces have, for example, acquired better technical means of quickly detonating mines. In addition, the rules were tightened up on 1 July for the express purpose of preventing intrusions.

As is evident from the news pages, the military opinion today is that the Armed Forces are sure of their facts in connection with the Gustaf Dalen incident. There is talk of tracks, of shots hitting close to their target, and of some degree of negative effect on the opponent.

Those events led even a military man as suspicious of the government and the defense administration as Commander Hans von Hofsten to almost shout with joy over what had happened.

At least here at home, his article on DAGENS NYHETER's Op Ed page on 8 August must have made an impression when he talked about how the Swedish Armed Forces had been "in the right place" back in early June—probably because of improved intelligence activity—and about how the weapons had detonated "in the immediate vicinity" of the target.

But no one should think that the commander drew the conclusion that the danger was over because Swedish waters appeared to be "completely free" of submarines after that.

No, von Hofsten has the same dark view of Soviet designs on Sweden as before. In the DAGENS NYHETER article, he talks about the danger that the various regional agreements now being worked out between the superpowers or observable on the horizon will strengthen Moscow's possibilities for action in Scandinavia.

It is true that according to AFTONBLADET, a Soviet government official had confirmed the intrusions before 1985, although that was later denied by the official spokesman for Moscow's Ministry of Foreign Affairs.

And even Minister of Defense Roine Carlsson must no doubt have assumed that at least one of the power blocs was up to no good when, at the beginning of June, he talked about "a very serious situation in some respects" and said he assumed that an operation was underway in Swedish territorial waters.

One can certainly imagine that the military, the critics, and the government would be acting somewhat differently if Rand researcher Gordon McCormick were correct in his speculation, expressed recently in NY TEKNIK, that Sweden is letting foreign submarines get away.

McCormick does not seem to be pursuing completely strange ideas in what is obviously a commissioned work for the U.S. Air Force.

The Swedish Government certainly hoped that the suspected intrusions would stop as a result of a voluntary decision on the part of the foreign power involved: the matter obviously could have been brought up at the United Nations.

Perhaps the ELMA antisubmarine grenade is not a success. And it was not a good thing for various Swedish representatives to talk to McCormick about whether the intention existed to sink or try not to sink an intruder.

But he seems to have the circumstances surrounding the 1984 submarine hunt in Karlskrona the wrong way around, and that does not speak well of his research effort. And the interview in NY TEKNIK provides no real basis for McCormick's assertion that there has been

intentional laxity on the part of the Swedish Government. On the whole, he is just imagining things on the basis of what he seems to have picked up by reading, God knows where.

So how is the government supposed to refute such loose thinking—and should it even make any special effort to do so?

One can ask oneself what purpose was served by appointing department head Nils Gylden of the Ministry of Defense to act as some kind of troubleshooter by trying to make McCormick see reason in the United States.

But what is really extraordinary is that Roine Carlsson recently had Maj Gen Bengt Wallroth summon the U.S. charge d'affaires in Stockholm and "explain the Swedish Government's attitude" on the assumption that McCormick's report would form the basis of the U.S. military's assessment of the Swedish Armed Forces and Swedish foreign policy.

If anything, a move like that gives the impression that the government is nervous. If this was something that Carlsson was supported in by his boss the prime minister, we have reason to be a little concerned about the presence of mind of the cabinet ministers. How will they cope with worse things than McCormick's speculations? Perhaps he now feels strengthened in his beliefs.

And no doubt the government has itself to blame for the suspicions that are raised when it talks about submarine hunts using "all available means."

There are good reasons why Sweden is not devoting more of its limited defense resources to catching up with foreign submarine activity: the availability of technology and personnel is one factor, among others. But since that is the case, it should stop saying things that the country cannot back up with deeds.

11798

TURKEY

Commentary Urges Planning of Military Strategy
35540175 *Istanbul MILLIYET in Turkish*
14 Jul 88 p 11

[Commentary, "Some Thoughts for Those Who Think," by Sami Kohen: "Future Strategy"]

[Text] Rapid developments in world politics compel changes in strategic concepts and views.

The accord reached between the two super states on INF [intermediate-range nuclear forces] has already led to new avenues of inquiry (and debates) concerning defense strategy in both the Eastern and the Western blocs. For now, the mutual arms reduction recently proposed by Soviet leader Gorbachev and his related suggestion of a "European Summit" are on the agenda.

At first glance, Gorbachev's proposal may not seem very inviting to Westerners. At the very least, the earlier lack of trust and suspicions toward Moscow continue. (The same things might be stated about the feelings of the Soviets vis-a-vis Westerners.) In the final analysis, however, the West may find in what Gorbachev said several interesting items worth considering. And, in this case, it may result in a search for possibilities for mutual arms reduction among the conventional powers of NATO and the Warsaw Pact.

The West no doubt at this stage will not consent to a reduction in Soviet tanks and armored vehicle units and, particularly, to a reduction in arms that will protect its numerical superiority in the field. In fact, some will view Gorbachev's proposal as propaganda. But it must not be forgotten that several years ago proposals related to INF were greeted with the same suspicion, yet the tentative suggestions were later transformed into a basis for serious bargaining.

Who knows, perhaps a proportional reduction in the armed forces in Europe could be realized in the future by means of the initial steps now being taken.

Turkey is obliged to watch closely these rapid developments and, from now on, to plan its own national strategy.

The changes initiated by the "Post-INF Era" will affect us, too. This requires that we review our security strategy and submit it to a reevaluation.

One thing peculiar to Turkey, together with its position as a Western ally, is its place in the Eastern Mediterranean and the Middle East region. Events in this region, just as in East-West relations, are also undergoing rapid change. For example, nowadays, an astounding—and frightening—arms race has been taking place in the Middle East. Nations right on our frontiers are equipping their armed forces with the latest models in missiles, planes and even chemical weapons.

As we remarked in one of our recent columns, Turkey is in a situation where it is paying attention not only to the Warsaw Pact region as a potential danger, but also to its

"back door" neighbors to the West and South. This certainly does not mean that an action that will disturb Turkey's security will necessarily arise from this direction. But strategists must consider all "maybe's" in advance and devise appropriate measures.

For years Turkey's strategy in the NATO scheme, in whose security it acts as an assistant, has been gauged according to the threat that might come from the "East." Ankara, taking advantage of the suspicions and lack of trust in East-West relations—in fact, at times from the rising tension—has obtained the support of its allies.

If the softening process that has now begun will actually melt the ice between the two pacts and secure a genuine rapprochement, the situation will change. This, too, will necessitate a review of Turkish security strategy.

In the same way, if the crisis, tension and arms race continue at this rate in our region, Ankara (with its diplomats, policymakers and military leaders) will have to plan for national security and a framework for foreign policy in accordance with this.

Speeches that President Kenan Evren made on his trip to the U.S. originally brought forward certain strategic topics. For some reason, however, nothing has been heard from either our experienced diplomats who are expected to closely involve themselves in this topic or our strategy experts. For instance, the president mentioned the possibility of a reduction being made in the Turkish Armed Forces. True, he spoke in a rather speculative and noncommittal manner. But, in the face of today's new economic situation, he put his finger on a topic that needs to be taken up and its pros and cons discussed.

The softening between the two pact powers and the probable mutual force reduction may bring to the forefront the subject of Turkey's also reducing the number of its troops. But Turkey is, among other things, obligated to pay attention to the military situation in the region. At the same time, the important matter is not simply its military strength, but its capacity to engage in modern warfare. The source (and its [Turkey's] financial resources) of the advanced weaponry that will provide this forms one of the essential components of—and quest for—this evaluation.

In short, there is a great advantage to be gained in thinking about and discussing now the various alternatives for a national strategy for the 1990's.

12575/09599

FRANCE

Details of 1989 Budget Allocations

35190097a Paris *LIBERATION* in French 8 Aug 88 p 5

[Article by Etienne Bertier]

[Text] France's future, at least as far as its budgetary expression for 1989 is concerned, was decided in Sweden. It was apparently at the French Embassy in Stockholm that Michel Rocard put the final touches on budget allocations for 1989. Matignon tried to conceal the event with a little white lie, claiming that on Thursday, 4 August, the prime minister signed the notorious ceiling letters setting the amount of the sum granted to each minister. Actually, it was his chief of staff, Jean-Paul Huchon, accompanied by one of his advisers, who reportedly went to have him sign the letters. GLAM [Interministerial Air Liaison Group] did not bring him back to Paris until Friday afternoon and the precious missives did not arrive on the ministers' desks until Saturday morning.

Rocard began by telling his ministers not to change anything. "Please note that the ceiling is not subject to revision," he said, adding that they have truly not done their work this year, proposing too few cuts in spending: "That effort is insufficient and must be continued." But beware of clear cutting next year. The ministers must start now to "reflect upon the evaluation of public policies so as to challenge spending."

Indeed, spending just decided upon for 1989 is starting to slip out of control: up 4.5 percent compared with 3.1 percent this year. That growth will therefore be equivalent to the anticipated increase in the gross domestic product. The total spending figure for 1989 of 1,130 billion francs given last week by *LES ECHOS* therefore seems to be confirmed. In other words, the government's role in the economy is not about to decline in 1989 for three reasons: First of all, the halt in the privatization program requires that the funds which the government allocates to government enterprises each year must be reincorporated into the national budget: some 15 billion in 1988 and only 4 billion in 1989, but 4 billion that will weigh upon the budget of common charges over which the minister of finance has control. Along the way, Renault's case has made some progress. The company will not receive its allocation of 12 billion francs all at once, but drop by drop over a period of several years. The amount for 1987 has not yet been determined.

The second reason for the increase in spending is that in 1988, Edouard Balladur largely underestimated certain expenses in order to present a stricter budget. Here again, Pierre Beregovoy will have to loosen his purse strings in order to ensure the equilibrium of COFACE [French Foreign Trade Insurance Company] and the French Foreign Trade Bank, dispensing the trifling sum of some 5 billion francs. In addition, the government debt will be further increased by some 10 billion francs, also to be attributed to the common charges budget.

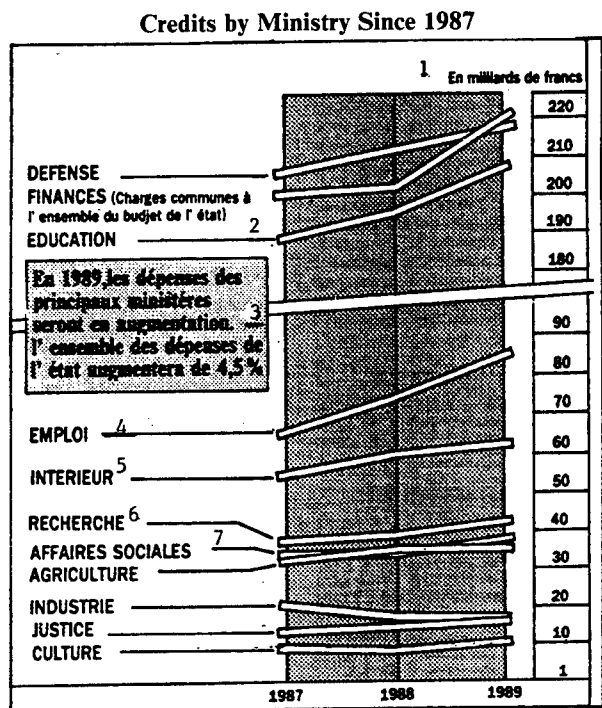
The third reason is the most important one. Michel Charasse was forced to respect the priorities set by Michel Rocard and Francois Mitterrand: Education, Solidarity, Research and Culture. The top priority, the Education budget, will increase scarcely more, proportionately speaking, than the average ministry: 5.5 percent. However, the sums at stake are considerable. Jospin pockets 10.7 billion and the right to create nearly 11,000 jobs, a wave of hiring that will by itself compensate for jobs other ministries have been asked to eliminate.

The Ministry of Social Affairs, responsible for setting the minimum insertion income, was treated a little less kindly by the budget, upset at having lost the battle of the tax on large fortunes. Since the ISF was to finance the minimum income and, as corrected by Rocard, it will carry off less than expected, less money will be given to Social Affairs. Rather than the anticipated 6 billion, Social Affairs will have an additional 5 billion. The portfolio of Minister of Employment Jean-Pierre Soisson was also concerned by solidarity and will receive another 10 billion, or thereabouts. Although the exact figures have not yet been drawn up, they should be today.

Minister of Research Hubert Curien will have an 8-percent increase in his allocations, an additional 3 billion. But in addition to that sum, the minister of research recovers the civilian budget of Research and Development, which increases his power considerably. Culture is the lowest priority. Jack Lang is very strong. Budget officials smiled when he asked for 1.5 billion francs for his ministry. In the end, his budget will rise 12 percent (1 billion), including 300 million for the Louvre and the Bastille.

Although not among the top priorities, the Ministry of Defense will also have a substantial increase due to the military programming law passed by the Chirac government, but unanimously. On the other hand, Jean-Pierre Chevenement must eliminate 8,000 jobs. Defense hopes to soften the blow by camouflaging part of the drop through a reduction in the number of men called up.

Except for the four priorities singled out from the very beginning of the budget marathon, allocations for most ministries rose in proportions similar to the price increase set forth by Rue de Rivoli for 1989 (2.5 percent). The only major ministry to see its allocation reduced was the Ministry of Industry, by some 650 million. However, Roger Fauroux is not upset. Industrial policy credits have finally ceased acting as a hair shirt and have even gone up slightly, to 440 million. It is a sign because these are the credits that enable the minister of industry to follow a real industrial policy. Moreover, the end of the reorganization of the shipyards gives Rue de Grenelle a margin of nearly 600 million, and the Ministry of Defense will also take over the 300 million in aid to Alstom. ANVAR [National Agency for the Implementation of Research], once threatened by Madelin, will receive 100 million. Finally, Pierre Beregovoy promised that decisions on capital allocations to public enterprises would be decided by the two ministers together.



Key:

1. In billions of francs
2. Charges common to entire government budget
3. In 1989, spending of the main ministries will increase. Overall government spending will increase 4.5 percent
4. Employment
5. Interior
6. Research
7. Social Affairs

In other words, it is a fair fight and the spending proposals in the 1989 Budget have apparently left everyone happy. But has Rocard not embarked upon a slippery path in agreeing that the reduction in government employees should cease? The budget exercise in the years to come can only be all the more difficult.

11464

GREECE

Papandreou Strategy Seen Obtaining Much-Increased EEC Grants

35210145 Athens AVRIANI in Greek 6 Aug 88 pp 1, 8

[Article by V. Mathiopoulos]

[Text] In 1987 our country collected, as net profit from the EEC, almost quadruple the sum of money that the ND government in 1979 calculated we would get!

Since 1981 until today, the Papandreou government, with pressures, tough negotiations, unrelenting demands, even with a veto blocking every step, has managed to change the agreement for our country's accession into the EEC, which, as it has characteristically been said, Karamanlis imposed on us barefoot among the thorns.

In 1987, our country's net receipts amounted to 1.7 billion ECU (approximately 282 billion drachmas) versus 500 million ECU (approximately 82 billion drachmas) which the ND government calculated as the highest amount Greece would be able to get!

Thus are revealed the reasons why Andreas has changed position vis-a-vis the Community and has abandoned the slogan "Out of the EEC," which certain people bring forward to charge that PASOK has forgotten its positions.

Now even the KKE is accepting the EEC and, through the mouth of Farakos, has stated that development cannot occur outside of the European Community. If the money which ND calculated we would take actually had remained at 500 million ECU, then we really would be the losers. In addition, there is the recent declaration between the EEC and COMECON (the corresponding economic union of the eastern bloc) for cooperation.

Much Money

However much it is maintained by certain sides that we are the losers, for a lot of reasons, mainly because we are behind the other EEC countries in terms of development, the money, the ready cash our country receives, is a lot.

It is enough for one to realize that, by 1992, Greece will have collected from the Mediterranean Programs (the famous MOP) 332 billion drachmas.

In addition, with the new system which will be in force beginning 1 January 1989 for the structural funds, we will receive—on a yearly basis—1.4 billion ECU (233 billion drachmas), versus the 600 million ECU (100 billion drachmas) we collected in 1987.

Moreover, recently, with the impressive passing of the Community's budget which Deputy Minister of National Economy Giannos Papandoniou achieved, there was a 173-percent increase in the special allocation for MOP for 1989, which means a double amount for our country!

Washington Annoyed

In the meantime, the achievements of the Greek presidency in the one-month lifetime it has had thus far are considered significant.

Among the most impressive decisions which have caused an international sensation is the opening of a dialogue with the Soviet Union.

For one to comprehend the magnitude of the success, it is enough to consider that the two sides (EEC-Moscow) until now have not exchanged one political word!!

As journalists and diplomatic circles communicate, the United States has been disturbed by this rapprochement and is carefully following this matter because lately it has been afraid of how this may develop.

Significant steps have also occurred in promoting the "united social region," which is the goal of the Greek presidency, while impressive initiatives by Papandreou are expected in the fall.

9247

ICELAND

Paper Views Trade Problems With United States
36260015a Reykjavik MORGUNBLADID in Icelandic
10 Aug 88 p 20

[Editorial]

[Text] Prime Minister Thorsteinn Palsson's official visit to Washington began yesterday. Today he will be in conference with Ronald Reagan, the President of the United States. This visit of the prime minister is significant for many reasons.

We Icelanders have had a very amicable and profitable relationship with the United States since we established our independence. The fact that the U.S. Government recognized the new Icelandic republic played an important part in other nations' subsequent recognition of the foundation of our republic. The treaty with the United States concerning military defense during the last World War offered us protection in that war while alleviating our occupation by the British. Since the formation of the North Atlantic Treaty Organization we have been the least populous nation in that defense alliance of free nations, while the United States has been the most populous. Despite this fact, the relations between us and them have been based on equality. Our defense treaty with the United States, which was signed in 1951, has been one of the cornerstones of our foreign policy.

Our Icelandic struggle for full jurisdiction over our fishing shoals lasted for decades. There is no doubt about the fact that The United States Government granted us powerful behind-the-scenes support in those times of struggle, and played a real part in forcing the British and our other opponents to cease all violent action against us and to recognize our authority over the resources of the ocean surrounding Iceland.

For decades the United States has been our biggest export market for marine products. Although the significance of this market for us Icelanders has diminished to some degree, it is still clear that it plays a key role in our export activities.

The policy on whale fisheries has cast a shadow over the relations between our two nations during the past 3 years, but the treaties which were signed on whale fisheries early this summer seem to indicate that the time for disagreements is largely past.

The decision of U.S. President Ronald Reagan to invite the Icelandic prime minister for an official visit to Washington shows that the United States looks upon Iceland as one of its most important allies. Although Icelandic spokesmen have visited Washington in the past, and conferred with American presidents, this is the first time since the foundation of the republic that a prime minister of Iceland has been invited to Washington for an official visit. This fact indicates that the Americans want to conduct amicable relations with us, while at the same time showing special honor to Thorsteinn Palsson, chairman of the Independence Party, with this invitation. The leaders of the Independence Party have always been in the vanguard in determining the foreign policy that we have followed since the end of World War II.

Today the prime minister is in conference with President Reagan. There will doubtless be discussion concerning the relations between the two nations, as well as policies in the international arena that are significant to us Icelanders. It is now clear that at the celebrated Reykjavik meeting between the leaders of the United States and the Soviet Union that the foundations were laid for the improved tone that has characterized the relations between the superpowers these last few seasons. Peace between East and West could have definitive significance for our policy goals in foreign policy in the next few years. Our prime minister may then confer with the U.S. secretary of defense, but the most broadly-based cooperation between the nations will be in the area of security issues.

It is cause for special rejoicing that the prime minister has been invited on an official visit to the United States. This visit will assure cooperation between these two allied nations. Those who have worked on the preparations for this visit, such as Nicholas Ruwe, U.S. ambassador to Iceland, have thereby made their own contribution assuring that the relations between the United States and Iceland will be just as successful in the coming years as they have been in past decades.

9584

Increased Trade Ties to Greenland
36260015b Reykjavik MORGUNBLADID in Icelandic
9 Aug 88 p 30

[Editorial]

[Text] Few nations are as dependent on international trade—export and import—as we Icelanders are. We sell abroad a higher percentage of our national product than most other nations. After that we import an unbelievable amount of the presumed necessities of life. The business

we conduct with our fellow nations, based on the purchasing power of our export income, has, therefore, more influence on our nation's standard of living than many of us imagine.

For these reasons, it is self-evident that we ought to cultivate our old trade contacts to the west and to the east. It is just as obvious that we ought to claim new lands for Icelandic wares, as well as Icelandic services, inventions and expertise. It is important to provide as much various support as possible for our economic interests. We have started to do this on many fronts. But it was not until the last few decades that we have really cultivated trade connections with our nearest neighbors to the east and to the west, the Faroese and the Greenlanders. Our trade with the Faroese, however, is based on established tradition. Greenland trade, on the other hand, is a brand-new thing. Despite this, it has grown considerably during the past few seasons.

On the business page of MORGUNBLADID last Thursday there was an article about the participation of some 30 Icelandic sales firms in a fisheries exhibition in Nuuk (Godthaab) in Greenland. The article also talked about the increasing trade between the two neighbor nations. It indicated that the value of Icelandic wares exported to Greenland in 1983 only amounted to about 3 million kronur. Since then the activity has risen sharply. In 1986 our exports to Greenland came to 44 million kronur. "The last 2 years, our exports have grown gigantically. Exports in the first 6 months of last year were equal to the entire previous year, and since then they have increased even more," the article said.

It is mostly Icelandic technical fishing equipment which is being sold to Greenland—trawl net closures and fishing weights—but packaging materials and carrying bags are also popular. It is thought likely that we will be selling boats to Greenland as well; two Somi boats were ordered and paid for towards the end of the fisheries exhibition. But the increased trade with Greenland is perhaps mostly a result of the work of the firm Icecon in renovating fish processing plants all over Greenland, putting in the appropriate machines and equipment. This business has amounted to hundreds of millions of kronur. Then too, Greenlandic trawlers have been seeking harbor in Iceland for some years now, looking for various kinds of services.

The Royal Greenland Company has exclusive rights to the transportation of all goods by sea to Greenland. The same price index is in force for transport from Iceland to Greenland as from Aalborg (Denmark), even though the length of the journey from here is a great deal shorter. Exports to Greenland are for the most part in the hands of the Danes, though, according to the business page of MORGUNBLADID, and "the subsidies from Denmark to Greenland cost most of the reconstruction that takes place in the country, and it has been that way since World War II."

But it is not so easy for Iceland to make inroads on the Greenland market. The market conditions there, moreover, are different from what we have here. What it says in the article on the business page is that there are few corporations in Greenland, and "most of them are under domestic ownership, and they run nearly everything in the fisheries, fish processing and mercantile operations in Greenland."

The fact is, and has always been, that our industrial production and technical expertise is well suited to the Greenlanders' professional activities on many levels, particularly in their fisheries. It should be possible to get together with them now and then. The economic interests of the fishing nations of the north Atlantic run together on many levels. Most indications show that we will be cultivating more exchange of expertise and goods with the Greenlanders in the future than we have been doing. Our participation in the fisheries exhibition in Nuuk was a step in that direction. It was a preparation for our claiming new lands in Greenland for Icelandic trade. But we can hardly expect that our presence at the exhibition will result in increased sales before a season or two has passed. Investment in this kind of equipment, and decisions to buy it, take some time. Our announcement of goods for sale will be followed later on by more concrete market demand and market conditions, as regards both goods and services.

9584

SPAIN

Poll Probes Protectionist Attitudes on Foreign Investment

35480114 Madrid ACTUALIDAD ECONOMICA
in Spanish 1 Aug 88 pp 12-15

[Excerpts] The majority is not overwhelming (34.3 percent), but it reveals a trend: Spaniards have a certain complex about Spain's becoming a discount economic supermarket and, understandably, want to replace the "for sale" sign with another that is somewhat more on the offense. Nevertheless, foreign capital enjoys favor among Spanish stockholders, and even more so if it comes from Europe. The Community lesson has been well learned.

Patriotism, protectionism, chauvinism, or depression. Call it what you will, the fact is that Spaniards are not overly pleased to be robbed of their entrepreneurial trappings. The poll commissioned by ACTUALIDAD ECONOMICA proves this clearly: 34.3 percent of the population becomes disheartened when a Spanish business firm loses the national "copyright." There are 27.2 percent who shrug their shoulders and arch their brows with a look of resignation. Finally, 23.1 percent placidly consent to the change in nationality of a Spanish company.

The rejection, which is, moreover, not very strong, becomes jubilant, massive approval when the process is reversed: 52.8 percent of Spaniards evince a mixture of pride, delight, and a sense of conquest if the purchaser of a foreign business firm has Spanish surnames. This instinctive thrill of good fortune resembles that caused by the national soccer team's victory over a foreign opponent.

The defense of the nation's business holdings is in direct contrast to the constant loud appeals that have for several years been advertising and calling for free exchange, the opening of borders, and the globalization of markets. The fact that the economic world is not as it was previously becomes apparent to the most myopic. For example, world trade is far greater than ever as is the "invisible" business, that of services. Combined, both exceed \$3 billion per year. And this is nothing in comparison with the so-called "symbolic" economy, a result of the turnovers of capital, exchange rates, and credit flows. For example, the London Eurodollar market, on which the world's financial institutions borrow from and lend to one another, transfers \$300 million daily; in other words, \$75 billion per year, a volume 25 times larger than that of world trade: a commercial liberalism hailed by the international economic agencies and by many Western governments which, however, has not ultimately convinced the citizen.

The paternalistic sense of company ownership has become heightened recently, in view of the expressions of shock and alarm emanating from the media, to the point where the phrase "Spain for sale" is almost as international a slogan as the hackneyed claim "Spain is different." One need only look at last year's figures to justify this increasing fear of being plundered: In just 6 years, the foreign investment in Spain has multiplied tenfold, rising from 224 million in 1981 to 2.2 billion pesetas collected by the end of December 1987 in the Bank of Spain's cash register.

A Defenseless Castle

Arabs, Kuwaitis, Italians, Germans, Americans, British, French, Swiss, and Japanese have not ceased to storm the business parapets of the Spanish castle, whose defenders (poorly trained against the new offensive tactics) have watched this economic conquest with astonishment.

It has been a surprise attack fostered by the disconcerting, brief Spanish opening toward Europe and the world, due to a lack of means for deterrence and to the defenders' meager preparation. Spain is far less different than it was 10 years ago, but far weaker. Many family businesses have responded without very much resistance to the lure of cash money (and in foreign currency). Spain's economic fabric was not woven tightly enough; the fibers were too fragmented, and the country's typical individualism impeded a greater solidarity that would seal the fibers against the onslaught from abroad.

The poll indicates that the major problem of Spanish business is financial: companies are sold (as 41.2 percent of those interviewed claim) because they need capital; 19.1 percent think that the foreign purchasers' desire for speculation ranks second; another disease endemic to the nation is also cited: the small size of the businesses, which is backed by 17.6 percent of those polled. The final 10 percent are more defeatist: Spanish business firms have no future, and that is why they are being purchased. Rather, it should be said that those without a future or not knowing how to view it are the country's businessmen; otherwise, there is no explanation for the foreigners' interest in those alleged dead-ends. What is obvious is the shortage of monetary fuel and the lack of financial experience. As Professor Peter Drucker comments, "Any company exposed to the international economy must realize that it is in two businesses simultaneously. It is just as much a producer of goods (or a supplier of services) as it is a financial company. Neither of these areas can be neglected."

The Untouchables

There are a few exceptions to business individualism. For example, the banking sector has sought mergers that would make the entry of foreign capital into the national banks more difficult. The unusual concern shown by the news media over the fate of the financial entities is reflected glaringly in this poll.

When it is time to assess the entry of foreign capital into the various economic sectors, there is a majority of positive attitudes among the more technical activities. Computers, automobiles, telecommunications, chemicals, and electrical industries are sectors which, from what one observes, have not harbored a great sense of protectionism. And the fact is that they do not require it either: The leading computer companies are subsidiaries of large foreign multinationals; and the same thing holds true of the manufacturers of vehicles and, certain firms in telecommunications and the chemical sector. And, although the difference is slight (30 percent with positive opinions versus 24.3 percent as a negative percentage), it is strange to note that lack of national affection for the electrical sector, which is becoming increasingly free of foreign intervention.

The opinions begin to acquire balance in the agrofood sector, one of those most stricken by the purchasing rage from abroad; and one which, at the same time, represents the Spanish economy's major stronghold. Something similar holds true of the press, also hard hit by alien winds, with a future envied by the world's leading informational groups, particularly when the television waves become decontrolled.

But where the citizen quite clearly asserts his veto is in the banks and the weapons companies. In the case of the banks, this may be due to the large number of Spanish stockholders with bank coupons. Nor is an awareness of the power of money absent either, even more so during a time of financial preeminence. In the opinion of those polled, the weapons

companies must be the major untouchables. Defense equipment must remain in our own hands. In this respect, patriotism takes precedence over military alliances, blocs, and unions, whatever their origin may be.

The European Friends

Spaniards consider it better for the purchasers of companies to come from Europe than from Southeast Asia or Czechoslovakia. Spain is Europe, and it will be even more so starting in 1992, the magic date when the old continent will break the nationalist spell that has divided it more or less since the fall of the Roman Empire. That is the intention; the reality may not be so romantic, but it is worthwhile dreaming about. At least this is the opinion of some European entrepreneurs (Benedetti, Berlusconi, Maxwell, Bouygues, Van der Klugt, Alain Perrin, Reinhard Mohn, and Lord Boardman), who think that their countries are on the way toward becoming a province of the EEC.

The increasingly imminent Europeanist dream is, therefore, producing a growing confidence regarding the continents' countries. By a wide majority, those polled lean toward the European Community countries as the best partners in business ownership, in the event that any foreigner should acquire a share in a Spanish firm. This is a very reasonable opinion: Europe is the best client and the largest economic supplier, apart from strategic oil. At a considerable distance, nearly 14 percent of the preferences are aimed at the United States, a Western country also considered an ally. Japan is the region that holds third place in this rating of potential commercial alliances. The force of events, Japanese quality and industriousness, and the Westernization of the easternmost country in the world explain this position.

The same does not hold true of the Arab countries and Eastern Europe, including the Soviet Union: They are different civilizations, slightly developed in comparison with the Western powers, and with a public image that tends to convert them into enemies in war. The distrust of the Arab world has not declined despite the sizable investments (headed by KIO [Kuwait Investment Office]) that have poured in from the Middle East during recent years.

Victory of Pragmatism

The technical features of the poll, taken among a random sample, justify the high percentage of "don't know/no answer" responses, as well as the indecision and uncertainty in response to the questions, shown in the large numbers of "fair" and "indifferent" opinions. In this connection, and despite the fact that it has recently occupied the front pages in the press, the ignorance about OPA [Public Offer to Purchase Stock Shares] is noteworthy: 70 percent of the people do not know the meaning of this acronym taken from the language of the stock exchange. In fact, they do not seem to indicate anything good; because they suggest to 60 percent of the population a "fair" or "bad" method of taking over a

business firm. OPA is associated with sharks, privateers, speculators, and financial potentates, something like the presumptuous person who tries to impose his law through the power of banknotes.

Whereas, in the general debate on the foreign purchase of Spanish companies, the displeasure exceeds the pleasure, the evaluations change drastically when purchasing shares of stock in a company is involved. Here, one is treading on firm ground and dealing with his own money. Idealism is eclipsed by pragmatism. As a result, the presence of foreign capital in a Spanish business firm offers an attractive guarantee. It would appear that the Spaniard's economic inferiority complex still survives. And so, when it is time to invest capital, 47 percent of the population consider foreign participation in the stockholding system of that company to be positive. In the matter of income return on investment, proposing stoic protectionism is not fitting. A realistic argument which, although it may sound individualistic and self-interested, is the observation of the world's economic shift, reflected in interdependence and in increasingly blurred borders. As Peter Drucker has also discerningly remarked: "Economic dynamics has moved decisively from the national economy to the world economy. From now on, any country (but also any business firm, especially if it is large) that wants to thrive will have to accept the fact that the control is in the hands of the world economy, and that national economic policies will succeed only if they reinforce, or at least do not damage, the country's international competitive position."

It is the heralding of the single world market toward which mankind is heading. This does not mean that no offensive and defensive positions must be adopted. Regardless of how widely disseminated it is, Coca-Cola is still an American symbol and a source of national pride and business patrimony. The same thing holds true, on a lesser scale, of Chupa-Chups, the cowboy Lois, or Freixenet champagne: symbols as deeply rooted in a country as the Gate of Alcala, Giralda, or Valencian paella, emblems of universal ownership, but with a designation of origin.

Chart 1. Better To Buy Than Be Bought

In general, what do you think of the purchase of large Spanish companies by foreign capital?

Good	23.1
Fair	27.2
Bad	34.3
Don't know	15.4

In general, what do you think of Spanish companies purchasing companies abroad?

Good	52.8
Fair	19.3
Bad	12.2
Don't know	15.7

Chart 2. With a Foreign Guarantee

Do you currently hold company stock shares quoted on an exchange?

Yes	13.4
No	86.6

If you were to purchase shares in a company, how would you assess the fact that this company had foreign capital?

Positively	46.9
Negatively	29.6
Don't know/no answer	23.5

Chart 3. Banking and Weapons: Stop There

Do you consider foreign capital sharing in the following sectors of the Spanish economy positive or negative?

	Positive	Indifferent	Negative	Don't know
Computers	43.7	20.2	18.1	17.9
Automobiles	43.0	22.2	17.7	17.2
Telecommunications	39.7	24.1	18.9	17.3
Chemicals	36.0	26.0	18.9	19.0
Electrical	30.0	27.3	24.3	18.4
Agrofood	28.3	28.6	25.7	17.5
Press	27.3	27.8	26.3	18.6
Banking	26.8	25.4	29.2	18.5
Weapons	19.5	22.5	40.9	17.1

Chart 4. OPA: What's That?

Do you know what an OPA is?

Yes	30.2
No	69.8

What do you think of foreign companies using the OPA as a means of purchasing Spanish companies?

Good	28.6
Fair	29.0
Bad	31.3
Don't know	11.1

Chart 5. For a Handful of Capital

On the whole, what do you consider the fundamental reason for Spanish companies being purchased by foreign capital?

They need capital	41.2
They have no future	10.1
For speculation	19.1
They are small	17.6
Don't know/no answer	12.1

In general, what do you think of Spaniards acting as intermediaries in a foreign investment?

Good	33.1
Fair	27.6
Bad	18.3
Don't know/no answer	20.8

Chart 6. Europe Is Like Spain

If any of the Spanish companies should have foreign capital, to which group of countries do you think it best for the owner to belong?

EEC	40.3
United States	13.9
Japan	12.0
Arab countries	6.6
Eastern Europe	5.6
Don't know/no answer	21.5

1,000 Interviews

This poll was conducted for ACTUALIDAD ECONOMICA by the firm Sigma Dos, under the direction of the consulting firm Tecnicas de Comunicacion [Communication Techniques], from 19 to 24 June 1988. A total of 1,111 persons over age 18 were interviewed in their homes in all regions of Spain except the Canaries. The possible error is plus or minus 3 percent, for a confidence level of 95.5 percent.

2909

High Cost of Nuclear Energy Discussed

35480115 Madrid DIARIO 16 in Spanish
28 Aug 88 p 54

[Article by Marta Benedicto]

[Excerpt] The recent incidents at two Spanish nuclear reactors have revived the controversy over nuclear energy and the costs it entails. The power companies that own the plants made heavy investments based on "inflated" energy consumption projections, which has put them deep in debt to the banks. For five of these plants, the problem is aggravated by the fact that the nuclear moratorium is preventing them from earning any income by generating electricity.

The Spanish nuclear energy industry has been plagued with mishaps ever since the first Spanish nuclear power plant, the Jose Cabrera plant in Guadalajara, came on line.

The most recent ones took place last week when Asco I was closed due to a problem with the cooling pump in the reactor, and Vandellos II suffered a shut-down as a result of a fire in one phase of a transformer.

When the power companies decided to build nuclear plants in Spain, they were expecting to receive profits in the short and medium terms, relying on plans that called for a considerable increase in energy needs.

The outcome has been very different. The "inflated" projections put the electricity companies heavily in debt with the banks, which have seen their earnings rise considerably in recent years thanks to the principal payments on loans granted to the companies.

The banks, in turn, played a predominant role in many of the power companies' boards of directors, because with only 2 percent of the shares in some cases, they had a majority ownership, given the wide distribution of ownership.

Excess Capacity

Secretary of Energy Fernando Maravall stated in a summer course at the Menendez y Pelayo University in Santander that capacity will exceed demand through 1996, and that until then there will be no need to boost the amount of electricity produced by the firms in this sector.

The construction of the two Asco groups, at a cost of 250 billion pesetas, was in large measure the cause of the crisis that hit Electric Power of Catalonia, Inc. (FECSA), which owns nearly 75 percent of the shares in the power plant. In 1987 FECSA was forced to suspend payments when it was unable to meet its debt obligations, especially to foreign banks.

FECSA President Luis Magana asserted last year in a self-critical analysis that the company made a mistake when it invested too much in nuclear equipment.

The power companies' debt to foreign entities accounted for 30 percent of Spain's overall foreign debt this year, according to a report put out by the Bank of Spain.

For some of the power plants, the situation is even more worrisome, because they have been affected by a nuclear moratorium since 1984. As a result, they are unable to earn any income by generating nuclear power, and the costs of financing an immobilized, unproductive plant are on the rise. The owners of the five plants affected by the moratorium, Lemoniz I and II, Valdecaballeros I and II, and Trillo I and II, face financial costs stemming from the huge investments in construction and from the "nuclear shut-down" that are very difficult for them to pay off.

The other part of the problem, which could be one of the reasons for the large number of incidents that have plagued the Spanish nuclear plants over the years, is the purchase of equipment that was rendered obsolete by technological research some time ago.

In the late 1970s, two of the companies that supply electrical equipment to the plants, General Electric and Westinghouse, exerted considerable political pressure to obtain contracts to supply that equipment to the nuclear power plants.

Reliability

The two companies faced the prospect of having to restructure their payrolls, which would have led to serious social problems, so the contracts to sell equipment represented a shot in the arm for them, a chance to alleviate the problems stemming from the lack of orders.

Subsequently, the two firms declared the suspension of payments, partly due to the deceleration of nuclear policy imposed by the moratorium.

Despite the incidents that have occurred in the last few years (an annual average of 25 unscheduled shut-downs have taken place in the power plants in the last decade), experts explained to DIARIO 16 that the majority of them were caused by flaws in the conventional structure and not the reactors.

In their opinion, Spain's nuclear plants have a high degree of reliability and meet European safety standards. The "shots" (shut-downs) that do stem from problems with the reactor fall within normal limits.

Ownership of Nuclear Plants

In Service	(%)	
Jose Cabrera	100	Union Electrica-Fenosa
Sta. Ma. de Garona	50	Iberduero
	50	Electra de Viesgo
Vandellos 1	25	Electricite de France
	23	Endesa-Enher
	23	Hidroelectrica Cataluna
	29	FECSA-F.H. Segre
Almaraz 1	36	Hidroelectrica Espanola
	36	Cia. Sevillana de Electricidad
	11.3	Union Electrica-Fenosa
	16.7	Iberduero
Asco 1	60	FECSA
	40	Endesa-Enher
Cofrentes	100	Hidroelectrica Espanola
Asco 2	45	FECSA-F.H. Segre
	40	Endesa-Enher
	15	Hidroelectrica Cataluna
Vandellos 2	72	Endesa-Enher
	28	Hidroelectrica Espanola
Trillo 1	46.5	Union Electrica-Fenosa
	46.5	Iberduero
	7	Hidroelectrica Cantabrico
In Moratorium		
Valdecaballeros 1 and 2	50	Hidroelectrica Espanola
	50	Cia. Sevillana de Electricidad
Lemoniz 1 and 2	100	Iberduero
Trillo 2	80	Endesa-Enher
	20	Union Electrica-Fenosa

Cost of Nuclear Energy

The power companies' investments in the power plants affected by this moratorium had reached 607.052 billion pesetas by the end of 1987, according to an assessment by the Industry Ministry as of 31 December 1987.

The National Energy Plan (PEN) of 1984 provided for an exchange of assets so that the healthiest companies could assume some of the risks of less sound firms, thereby preventing the latter's bankruptcy.

The financial costs generated by the heavy investments and the costs of the nuclear shut-down would be paid over a period of 7 years out of reserves and a special financing fund created as part of the nuclear moratorium.

The power companies allocate 3.9 percent of their earnings from rates to finance part of the plants' expenses.

On the other hand, the PEN decided that 0.5 percent of the electricity sector's billings would be earmarked for a reserve fund to shore up the industry. The fund would be divided up according to the financial status of each company.

To make sure these financial burdens do not prevent the affected companies from paying dividends, which would have caused their share prices to plummet, the firms resorted to the expedient of "deferred costs."

These "deferred costs" allow for spreading out financial burdens and payments on investments over a longer period of time. They would begin to show up on the books the first year after the plants come on line. It is estimated that such costs will amount to 336.865 billion pesetas in 1991, and the term for paying off these "costs" is expected to be 10 to 12 years.

08926

TURKEY

Worker Investment Bank Drops 'Public' Criterion *35540172a Istanbul DUNYA in Turkish 14 Jul 88 p 1*

[Text] Ankara, DUNYA—The name and status of the State Industry and Worker Investment Bank, known by its acronym DESIYAB, has been changed. The governmental decision that revises the corporate status of the Bank was signed by President Kenan Evren prior to his departure for England. By this action, the Bank was renamed and its sphere of activities and functions was changed.

According to information obtained by DUNYA, DESIYAB, which is now the Development Bank of Turkey, has shed its image as a bank whose services are available only to firms held by workers. With the new decision in effect, the Bank's financing services for worker corporations will continue as before. In addition to worker corporations, private firms will also be able to obtain financing through the Bank's resources.

DESIYAB, which, at present, is not permitted to finance worker corporations in the transportation and tourism sectors, will, as the Development Bank of Turkey, underwrite worker corporations in these areas as well. In its new status, the stipulation that business firms the Bank supports be public has also been abolished. Thus, the Bank will be able to provide financial backing to firms other than worker joint-stock companies possessing incorporated status.

Following the reorganization of DESIYAB as the Development Bank of Turkey, the number of banks with similar objectives has been raised to three. Currently, the Industrial Investment Credit Bank of Turkey and the Industrial Development Bank of Turkey serve the function of development banking. The State Investment Bank, after its name was changed to Eximbank, lost its position as a development and investment bank.

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